

*Compliments of the  
Office of Newark Studies*

*Administered for the City of Newark by Rutgers University  
The State University of New Jersey*

OFFICE OF NEWARK STUDIES

RESIDENTIAL MORTGAGE LENDING

IN THE

CITY OF NEWARK, 1974-1975

OFFICE OF NEWARK STUDIES

909 BROAD ST. -- SUITE 500

NEWARK, N. J. 07102

Area Code (201) 622-6563

Mayor Kenneth A. Gibson  
Chairman of the Board

Jack Krauskopf  
Director

January 21, 1976

Honorable Kenneth A. Gibson  
Mayor of the City of Newark  
920 Broad Street  
Newark, New Jersey 07102

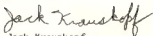
Dear Mayor Gibson:

I am pleased to submit the enclosed report on residential mortgage lending in the City of Newark.

The report was prepared following the meeting you held in June 1975 with representatives of Newark lending institutions. Staff in the Office of Newark Studies - George Hampton, William M. Brown, and Leroy A. Collins - have carefully studied the pattern of residential mortgage lending in Newark and its neighborhoods, as well as the socio-economic conditions in the neighborhoods.

It is our hope that this information will be helpful to the City and the lending institutions in finding means to increase housing investment and to stabilize and improve the City's neighborhoods.

Sincerely,

  
Jack Krauskopf

JK:cy

Enclosure

RESIDENTIAL MORTGAGE LENDING  
in the  
City of Newark, 1974-1975

Office of Newark Studies  
909 Broad Street  
Newark, New Jersey 07102

Jack Krauskopf, Director

George Hampton, Study Coordinator  
William M. Brown, Chief Researcher  
Leroy A. Collins

## INTRODUCTION

This report was prepared in connection with efforts by Mayor Kenneth Gibson and the Newark City administration to encourage increased private investment in Newark's housing stock. It is hoped that the data and findings of the report will be of interest to public officials, Newark residents, mortgage-lending institutions, and others. The authors want and expect comments on the report - including recommendations for means to increase private investment in Newark, opinions about the report's findings, and suggestions for additional analysis which should be undertaken.

The Office of Newark Studies is a unit of Rutgers University, which conducts staff work for the Mayor and City administration of Newark. General financial support for the office has been provided since 1970 by New Jersey foundations (Florence and John Schumann Foundation, Fund for New Jersey, and Victoria Foundation).

This study provides information on the volume of one-to-four family residential mortgage lending in Newark by neighborhood and type of mortgage transaction for a fifteen month period, June 1974 through August 1975. The social and economic conditions of each neighborhood are also described.

The primary reason for assembling this data is to give a current picture of the pattern of private housing investment in the City. Such baseline information can be utilized to compare future trends in the City as a

whole and in individual neighborhoods.

The fact that many areas of Newark have suffered a decline in conventional housing investment has been well recognized for sometime. George Sternlieb and Robert Burchell documented the general pattern of Newark mortgage lending in Residential Abandonment: The Tenement Landlord Revisited.<sup>\*</sup> Our current description of mortgage transactions and socio-economic conditions by neighborhood has been prepared in the belief that future private housing investment in Newark can be greater than it now is and that an accurate description of current conditions will help to make increased investment possible.

Mortgage lending is a two-edged sword. Provision of loans to unqualified buyers can lead to defaults, foreclosures, and neighborhood deterioration. This problem has occurred in some cities, particularly in areas where federal mortgage insurance programs have been abused.

On the other hand, however, the unavailability of mortgage financing, especially conventional loans which are long-term investments in an area by a lending institution, is a major deterrent to neighborhood stability. Where property owners cannot secure financing for improvements and must foresee financing sales transactions themselves (by taking back mortgages from the buyers because they cannot get institutional financing), the incentive to maintain property is greatly reduced.

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<sup>\*</sup> George Sternlieb and Robert W. Burchell, 1973, Center for Urban Policy Research, Rutgers - The State University of New Jersey, New Brunswick, New Jersey.

Lending institutions have the difficult job of balancing these problems as they make decisions on individual loan applications. The quality of City services is also an important consideration. It is our hope that the information in this report will help to focus the attention of public and private officials on the means to achieve stable and revitalized neighborhoods in Newark.

Many areas of Newark remain sound and can be preserved. Others can be improved. But neighborhood stabilization and improvement will require private investment and the necessary governmental support to bring it about. In reading and reviewing this document the following is of great importance in understanding the statistical analysis:

The number of mortgages credited to the  
lending institutions (commercial and savings  
banks) for the study period (June 1974 -  
August 1975).

The Chief source document used by ONS for data and statistical summaries was the Essex County Real Estate Directory, Supplementary sections June 1974 - August 1975 and property owners listing section, 1974 - 1975, 1975 - 1976.

The supplements of this directory lists recorded transactions involving primary mortgaging, second mortgaging or sales transactions. This means that if one follows the scenario involving the relationship of mortgage companies to commercial and/or savings banks, the tally of mortgage company activities would be reflected as being higher in terms of holders of mortgages than it would be if the records of both the mortgage companies and the commercial and savings banks were accessible to the ONS researchers.

The tally for first or primary mortgage financing as was extracted from the real estate directory, does not indicate any transactions resulting from or as a consequence of the subsequent sale of mortgages to the commercial and savings banks, or the transfer of the mortgages to the commercial or savings banks which provided the financing for the origination of the mortgage by the mortgage company.

The reconciling of the primary mortgaging activities can only be accomplished if the commercial and savings banks afford ONS information which indicates the acquisition by these institutions of mortgages originated by the various mortgage companies identified in the ONS report.

Thus if a commercial or savings bank has been indicated in the report as having provided ten (10) mortgages for the study period (based on the recorded first transaction listing in the directory), and this same bank acquires ten (10) additional mortgages from the portfolio of a mortgage company, the report by ONS would only reflect ten (10) transactions for the banks. The report would also reflect an additional ten (10) transactions, but these transactions would have been listed the category of mortgage company transactions, and tallied under the name of the respective mortgage company.

The present holder of a mortgage, in the instances cited above can only be ascertained by an exchange of information between ONS and the banks.

### Methodology

The basic data for this report comes from the Essex County Real Estate directory for 1974 and 1975, which records essentially all real estate transactions occurring in Newark by address and characteristics of the transaction; and from the United States Census reports for 1960 and 1970, which provide socio-economic information for Newark neighborhoods. Supplementary data has come from reports of the New Jersey Mortgage Finance Agency, Department of Banking, and Department of Community Affairs; and Newark public agencies, including the Mayor's Policy and Development Office, Housing Development and Rehabilitation Corporation, and Newark Housing Authority. In addition, informal discussions were held with persons knowledgeable about mortgage lending and Newark's housing market.

The Department of Urban Studies of Rutgers-Newark and its Chairman, Dr. Raphael Caprio, was particularly helpful in providing guidance and access to the University computer and in supplying talented personnel. Staff of Rutgers Center for Urban Policy Research and Graduate School of Business Administration also assisted with initial organization and direction of the study.

The ninety-eight (98) census tracts which comprise Newark were grouped into nineteen neighborhoods for analysis on the basis of:

1. Similar socio-economic and housing patterns.
2. Resident identification,



### 3. Natural boundary determination.

These nineteen neighborhoods were ranked on a scale of I, II, III, IV, V. The I areas were considered the most stable, while the V areas were considered to be the most deteriorated. 1960 and 1970 Census data was used to describe and rank the areas.

Data on real estate transactions in the same nineteen areas was compiled from the Essex County Real Estate Directory for the period June 1974-August 1975. A total of 3,341 mortgage transactions for Newark, and 957 randomly sampled mortgage loans in the suburbs were analyzed by computer using Statistical Package for the Social Sciences to produce Symaps, frequency distributions, graphs, crosstabulations, and other means of description. This particular report concentrates on transactions involving one-to-four family residences, which constituted approximately 2000 of the transactions. (See Appendix 1.)

### Findings

The current means for financing housing transactions in Newark differ markedly from both current suburban and past Newark lending patterns. Until the mid-1960's, the majority of Newark mortgages were financed by traditional lending institutions - savings and loan associations, savings banks, commercial banks, and insurance companies.

Sternlieb and Burchell have recorded the types of Newark mortgages for the years from 1961 through 1971. <sup>\*</sup> In general, this data shows a steady chronological decline in both the total number of mortgages and the number of mortgages granted by the traditional financial institutions, while there is a substantial increase in lending by mortgage companies. Mortgage companies are not like the depository institutions which make mortgage loans as long-term investments. Rather, the mortgage companies originate loans, but then sell them to financial institutions or to secondary mortgage market agencies, thus making their profits from origination fees, points, servicing of loans, and other charges. Virtually all mortgage company transactions are insured by the Federal Housing Administration (FHA) or Veterans' Administration (VA) and are, therefore, not "conventional" mortgage financing.

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\* Residential Abandonment: The Tenement Landlord Revisited, Chapter 6. The "Low End" Real Estate Sector.

Our data for 1974-1975 shows a continuation of the trend away from conventional mortgage financing in Newark and, in addition, the growth of entirely private transactions for sales of Newark housing. Private transactions are sales involving no institutional financing from either a conventional lender or a mortgage company. We have determined the nature of private transactions, and have found that they represent either sales in which the seller provides the mortgage himself, or those in which there is a cash payment for the full amount of the transaction. There are also some instances in which a third party, neither buyer or seller (such as a relative), provides the financing for the transaction.

Regardless of the exact form of the private transactions, they constitute a very large percentage of the sales of Newark housing. In the 1974-1975 period studies, 52.9% of all one-to-four family home sales were private transactions. Savings and loan associations, the traditional primary source for residential mortgages, financed only 9.7% of Newark transactions; and all other bank, insurance, and business sources provided 16.4% Mortgage companies originated 21.1% of the Newark transactions during this period.\* These figures are for the City as a whole; the distribution of transactions by neighborhood will be discussed below.

Contrasted with this Newark lending pattern is the source of financing for

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\* These percentages are based on 1,579 transactions, and exclude City of Newark and FHA/VA transactions and transactions involving nominal payments.

housing transactions in the Essex County suburbs. For the April-August 1975 period, a sample consisting of 957 transactions was reviewed. Only 32% of the transactions were privately financed, compared with 52.9% in Newark. Mortgage company loans, which entail FHA insurance and do not constitute long-term investments by the lenders, were utilized in only 3% of the suburban transactions. On the other hand, savings and loan institutions made 46% of the suburban loans and other banks provided 16%. The remaining 3% were loans extended by businesses. (See Appendix 2.)

The percentage distribution detailed above refers to the total of the following transactions for residential 1-4 family units:

- primary financing
- secondary financing
- cash sales

An analysis of transactions in Newark involving primary financing has as a unit of study, 709 cases in the residential 1-4 family grouping. Mortgage companies provided 39.1% of the primary financing and private primary financing accounted for 31.7%, with savings and loans at 16.6% and commercial and savings banks at 8.0%. (See Appendix 1.)

Of significance is the fact that although in primary financing the private transactions are 52 cases less than the total for mortgage companies, private financing accounted for 107 more transactions than did savings and loan institutions.

A comparison of Newark to suburban municipalities in regards to primary finance indicates that of 832 cases of primary financing savings and loan institutions accounted for 52.8% of primary financing in the suburbs as opposed to 17% in Newark. Private transactions were at 21.9% for the suburbs and 31.7% for Newark. Mortgage company primary financing assumed an almost miniscule proportion in the suburbs at 3.9% compared to 39.1% in Newark. There was more than twice as many transactions by commercial and savings banks in the suburbs at 17.9% than occurred in Newark at 8.0%. (See Appendix 3)

It is the purpose of this study to provide objective data on the Newark lending pattern and not to speculate on the motivation of the lending institutions or the justification for the picture which emerges. Nevertheless, the high proportion of private transactions, particularly by contrast with the current suburban and past Newark patterns, is an indication of substantial demand for financing which is not being met by any source of institutional lending, whether conventional or federally insured.

Turning to an examination of lending by neighborhood, certain additional factors become clear. The data describing the sources of financing in each of the nineteen neighborhoods is described in the accompanying charts. (See Appendices 5. and 6.) Reviewing this information and drawing upon the descriptions of socio-economic conditions of the neighborhoods, some general observations can be made:

First, there is substantial variation in the total amount of lending activity from neighborhood to neighborhood. Vailsburg, which has 9.1% of the City's population and 13% of its one-to-four family housing units, had 16.4% of the total one-to-four family residential transactions in the period studied. Vailsburg accounted for 35.1% of all mortgage company transactions in the City and 20.9% of savings and loan lending. Forest Hill and, to a lesser extent, the South Broad and Broadway areas also had disproportionately large shares of the total transactions in the City.

The reverse situation also occurs. Certain areas — notably Clinton Hill, Core, Weequahic, and Dayton-Hayes North — had lower percentages of the City's total transactions than their shares of the City's population and one-to-four family housing units. This information is summarized for each area in Appendix 6.

Second, the level of activity by each type of mortgage lender varies substantially between neighborhoods. To visualize and analyze these variations, several maps are included as Appendix 8. The map data gives a general visual presentation of the level of activity for each area. The percentage distribution by type of transaction for each neighborhood is given in table form in Appendix 5.

The savings and loan map illustrates the concentrations of lending activity in the outer areas of Newark. The savings and loan activity is concentrated in Vailsburg, Forest Hill, Branch Brook, East Newark and Ironbound. Ironbound had the heaviest individual concentration. Savings and loan transactions provided more than 20% of the financing in only two neighborhoods — Ironbound, 30.1% and East Newark, 21.3%. Forest Hill was the only other area in which more than 10% of the transactions were financed by savings and loan associations. Several neighborhoods had no savings and loan lending during the period studied — including West Market, Core, Belmont, and South Broad — and most others had very little.

The Commercial bank pattern is similar to that of the savings and loan institutions, but with far fewer transactions. Commercial bank lending constituted more than 4% of the transactions in only six neighborhoods — Forest Hill, Branch Brook, Vailsburg, Dayton-Hayes South, Ironbound, and East Newark. Not a traditional source of mortgages for one-to-four family houses, the commercial banks provided no more than four mortgages in any of the other neighborhoods. (It should be noted, however, that our data groups Newark's two savings banks, which are residential mortgage lenders, with the commercial banks.)

The category of insurance and business transactions includes miscellaneous sources of financing such as credit unions and purchases by business institutions. Although such transactions represent 22.4% of the the total in the West Market neighborhood and almost 10% in Central Avenue, Downtown, Core Dayton-Hayes North, Belmont, and South Broad, these transactions appear to

be more an indicator of real estate activity by businesses than a source of residential mortgage finance.

Mortgage companies did some amount of lending in nearly every neighborhood, but were particularly active in certain areas. In Vailsburg, the area of the City with the largest amount of overall mortgage activity, mortgage companies made 35.2% of the loans. Mortgage companies also accounted for almost 30% of the transactions in Weequahic and more than 20% in Branch Brook, Roseville, and Dayton-Hayes South (which includes a portion of the Weequahic Park Area).

However, the dominant type of sales in nearly every area were non-institutional, private transactions. The map shows private transactions distributed throughout the City. Only in Vailsburg (and the Airport area where the number of transactions was minimal) was the proportion of private transactions as low as 25%. In all other neighborhoods, private transactions were the most prevalent type of sales financing, and these non-institutional transfers accounted for more than 50% of the sales in a number of areas. The high degree of private transactions can be considered as a strong indicator of unmet mortgage demand. There are residents in almost all areas of Newark who desire mortgages and do not have institutional lending available.

Third, a few Newark neighborhoods are receiving some conventional mortgage lending, while the rest are dependent on mortgage company and/or private financing. More than 70% of the 153 total savings and loan and



bank transactions were made in Vailsburg, Ironbound, East Newark, and Forest Hill. The other fifteen neighborhoods accounted for 55 savings and loan and bank transactions during the study period.

Fourth, in certain areas, conventional and mortgage company lending was minimal, and most transactions were either privately financed or were transactions by the City, FHA, or VA. Such neighborhoods, where nearly two-thirds of the transactions were governmental or private, include Downtown, Clinton Hill, Core, Belmont, and South Broad.

Fifth, the neighborhoods which ranked better in social and economic conditions generally had more favorable lending patterns than poorer neighborhoods; but socio-economic conditions did not correlate directly with conventional lending and there were some significant variations. The ranking and mortgage pattern of each area are described in Appendices 7., 9., and 10. Vailsburg and Forest Hill were the only neighborhoods ranked as Stage I areas, indicating the best conditions; and both neighborhoods did have comparatively high percentages of savings and loan and bank lending — 17.2% and 20.6% of the areas' transactions respectively. However, the East Newark and Ironbound neighborhoods, which ranked as Stage II areas with less favorable socio-economic conditions, had substantially higher proportions of conventional lending — 30.0% and 34.6% of the areas' transactions respectively. (A substantial number of these East Newark and Ironbound loans were provided by a single institution, Penn Savings and Loan.) These two East Ward neighborhoods also had minimal mortgage company activity, reflecting their greater relative access to conventional financing than other areas. However, even here, 40% of the transactions were non-institutional, privately financed sales.

These four areas, having the highest proportions of their housing transactions financed conventionally, are the neighborhoods which had the highest median family income and the lowest percentages of welfare recipients and black population. The other Stage II areas show very different lending patterns than East Newark and Ironbound. Only Branch Brook had more than 15% of its transactions financed by conventional sources. The remaining three areas had less than 10% savings and loan and bank financing, with Weequahic having only 3.1%, Roseville 8.8% and Dayton-Hayes South 9.7%.

As might be expected, mortgage transactions play a major role in these Stage II areas, providing 29.5% of the loans in Weequahic and between 21% and 25% in Branch Brook, Roseville, and Dayton-Hayes South. In addition, private transactions account for over 30% of the sales in all four areas.

Sixth Penn Savings & Loan, which has approximately \$81 million dollars in assets made a total of 110 loans during the period studied, of which 78 were for residential 1-4 family units. Carteret Savings and Loan, with \$516 million dollars in assets provided 23 loans of which 17 were for residential 1-4 family units, and Trident Savings and Loan, which had \$16 million in assets granted 32 loans of which 20 were for 1-4 family units.

In addition, increases and decreases in the total volume of savings deposits of an institution could not be directly correlated with its mortgage lending activity in Newark. For example, although Robert Treat Savings and Loan experienced a \$6 million increase in deposits between 1971 and 1974, it made no mortgage loans in Newark in the 1974-75 period studied. Other institutions, such as Barton and Mohawk Savings and Loan, which lost deposits, continued to provide mortgages. (See Appendix 13.)

Seventh, it is also apparent that while the lending institutions each tend to favor certain neighborhoods, the lending pattern does not necessarily correspond to the location of a bank's offices. Penn Savings and Loan did concentrate its lending in the Ironbound area, and Trident supplied a substantial number of mortgages in Central and South Ward areas ignored by other lenders. However, most institutions no longer operate as neighborhood mortgage lenders, as savings and loan associations once did. (See maps, Appendix 12.)

Eighth, the New Jersey Mortgage Finance Agency (MFA) program of providing funds for mortgage loans to banks from the proceeds of tax-exempt bond sales did not produce a lending pattern much different from what the banks have done when they made loans from their own deposit sources. Sixty-five loans made between October 1974 and July 1975 with proceeds from the MFA urban lending program are reviewed in Appendix 13. More than two-thirds of the loans were made in the Vailsburg area, about 15% in the North Ward, and only minimal numbers in any other area.

## APPENDIX 1.

### Chart of Total Real Estate Transactions for City of Newark Period: June 1974 - August 1975

The following diagrams indicate the mortgaging activity for the City of Newark in one (1) major classification and three (3) sub-categories.

Reading in the direction of the arrows, the major classification indicates the distribution of transactions (3,341 cases) by land use code. All cases that were coded for residential 1-4 family use (2,026) were further subdivided as is seen in the second figure.

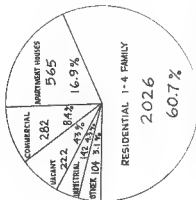
Since the emphasis of the study is in terms of lending activities for 1-4 family residences, the 1,579 cases representing residential mortgage activity less nominals, FHA/VA and City of Newark were subdivided by the type of mortgage (third figure).

The last figure indicates the division of activities related to primary financing for 1-4 family units. There was a total of 709 cases in this category (less nominal FHA/VA and City of Newark).

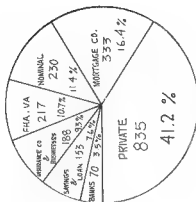
The 3,341 total cases analyzed by computer represent all transactions for the fifteen month period studied, except for 326 miscellaneous transactions for which there were computer or coding errors.

# CITY OF NEWARK TOTAL REAL ESTATE TRANSACTIONS

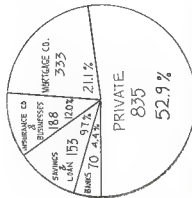
JUNE 1974 - AUGUST 1975



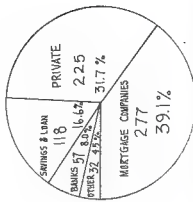
TOTAL TRANSACTIONS - 3341 CASES



TOTAL TRANSACTIONS - 1-4 FAMILY  
2026 CASES



TOTAL TRANSACTIONS - 1-4 FAMILY LESS  
CITY NOMINAL FHA VA - 1579 CASES



TOTAL TRANSACTIONS - PRIMARY MORTGAGES  
1-4 FAMILY LESS CITY, NOMINAL, FHA, VA 709 CASES

APPENDIX 2.

Chart of Percentage Distribution of Lending Activities -  
City of Newark Compared to Suburban Municipalities.

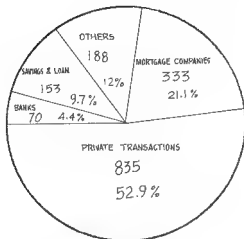
The following diagrams compare lending activity in Newark with lending activity in 14 suburban communities of Essex County.

The purpose of these diagrams is to compare the percentage distribution of lending by type mortgagee. Cases for both Newark and the suburbs are land use code 02, residential units of the 1-4 family classification.

# PERCENTAGE DISTRIBUTION OF LENDING ACTIVITIES

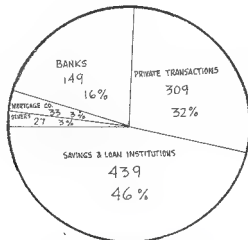
## NEWARK COMPARED TO SUBURBS

TRANSACTIONS IN ESSEX COUNTY - RESIDENTIAL  
1-4 FAMILY LESS NOMINAL CITY, FHA, VA



CITY OF NEWARK  
JUNE 1974 - AUGUST 1975

1579 CASES



SUBURBAN MUNICIPALITIES  
APRIL 1974 - AUGUST 1975

832 CASES

SUBURBAN MUNICIPALITIES ESSEX COUNTY  
 BELLEVILLE BROMFIELD WEST CAULDFIELD  
 FAIRFIELD MAPLEWOOD EAST BRIDGE  
 REVELAND VERONA RIVER FORD  
 MILFORD NUTLEY CEDAR GROVE  
 ORANGE SOUTH ORANGE

APPENDIX 3.

Chart of Percentage Distribution of Primary Mortgages -  
City of Newark Compared to Suburban Municipalities.

The following diagrams compare primary mortgaging activity in Newark with mortgaging activity in 14 suburban communities of Essex County.

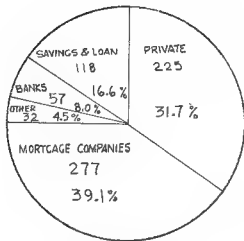
The purpose of these diagrams is to compare the percentage distribution of mortgaging activity by type mortgagee. Cases for both Newark and the suburbs are land use code 02, residential units of the 1-4 family classification.



# DISTRIBUTION OF PRIMARY MORTGAGES

## NEWARK COMPARED TO SUBURBS

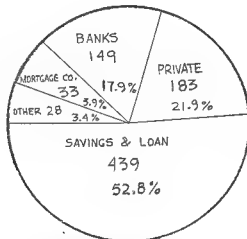
TRANSACTIONS IN ESSEX COUNTY-RESIDENTIAL  
1-4 FAMILY LESS NOMINAL, CITY, FHA, VA



CITY OF NEWARK

JUNE 1974 - AUGUST 1978

709 CASES



SUBURBAN MUNICIPALITIES

APRIL 1975 - AUGUST 1975

832 CASES

SUBURBAN MUNICIPALITIES  
(ESSEX COUNTY)

BELLEVILLE	BLOOMFIELD	WEST CARLDWELL
FAIRFIELD	MAPLEWOOD	EAST ORANGE
ROSELAND	VERONA	ESSEX FELS
MILBURN	NUTLEY	ORANGE
SOUTH ORANGE		CEDAR GROVE

APPENDIX 4.

Map of the City Divided Into 19 Neighborhoods by Census Tract.

APPENDIX 5.

Table of Transactions, by Type for the  
19 Areas of the City of Newark  
(Residential 1-4 Family)

This table represents total transactions for all residential 1-4 family units for the period June 1974 - August 1975. It should be noted that the "commercial bank" category includes the two (2) savings banks in Newark.

APPENDIX 6.

Table of Percent of Residential Transactions by Areas of the  
City of Newark.

Table does not include nominal, City, FHA/VA transactions.

## CITY OF NEWARK, N.J.

## TABLE OF MORTGAGE ACTIVITY BY TYPE OF LENDING TRANSACTIONS FOR THE 19 AREAS

(RESIDENTIAL, 1-4 FAMILY HOUSES)

AREA	AREA TOTAL MORTGAGE FINANCING	MORTGAGE COMPANY TRANS- ACTIONS	% OF TOTAL TRANS- ACTIONS	SAVINGS & LOAN TRANS- ACTIONS	% OF TOTAL TRANS- ACTIONS	COMMERCIAL BANK TRANS- ACTIONS	% OF TOTAL TRANS- ACTIONS	% OF INTEREST IN ERF- 28 YEAR ACT. BNS	% OF TOTAL TRANS- ACTIONS	PRIVATE YEARS TRANS- ACTIONS	% OF TOTAL TRANS- ACTIONS	FINA/VA TRANS- ACTIONS	% OF TOTAL TRANS- ACTIONS	% OF NORMAL TRANS- ACTIONS	% OF CITY % OF TOTAL TRANS- ACTIONS	PERCENTAGE TOTAL OF TRANS- ACTIONS	AREA TOTAL TRANS- ACTIONS
STAGE I																	
ELIZABETH	326	117	35.9	32	9.9	24	7.4	7.6	8.0	82	25.2	15	4.5	3.0	9.2	66.7	5.1
ELIZABETH HILL	130	19	14.6	19	14.6	8	6.2	5	3.3	58	44.6	2	1.5	19	14.6	0.0	5.4
STAGE I TOTALS	456	136	29.5	51	11.2	32	7.0	31	6.8	140	30.7	17	3.7	49	10.7	0.0	10.5
STAGE II																	
DRYDEN	153	37	24.2	9	5.9	4	2.6	14	9.2	54	35.3	13	8.5	21	13.7	0.7	10.0
DRYDEN WOOD	32	7	21.9	3	9.4	2	6.3	2	6.3	12	37.5	1	3.1	5	15.6	0.0	10.0
DAYTON AVENUE	135	34	25.2	6	4.4	7	5.2	7	5.2	42	31.1	22	16.3	15	11.1	1.5	10.0
WELLSVILLE	120	30	25.0	3	2.5	1	0.8	10	8.3	42	35.0	13	10.8	9	7.5	3.8	9.9
EAST NEWARK	80	3	3.8	17	21.5	7	8.8	3	3.8	36	45.0	0	0.0	14	17.5	0.0	10.0
INDEPENDENT	137	1	0.7	40	29.2	6	4.4	5	3.6	50	36.5	1	0.7	31	22.6	2.2	7.7
STAGE II TOTALS	657	120	18.3	78	11.9	27	4.1	41	6.2	236	35.9	50	7.6	99	11.7	4.3	100.0
STAGE III																	
EAST MARKET	161	11	6.8	0	0.0	3	1.9	37	23.0	71	44.1	23	14.3	14	8.7	1.2	100.0
BROADWAY	150	21	14.0	8	5.3	0	0.0	10	6.7	79	52.7	8	5.3	19	12.7	3.3	100.0
JOHN BROADFIELD	14	16	114.0	4	3.5	1	0.9	10	8.8	62	54.4	7	6.1	12	10.5	1.8	100.0
CENTRAL HALL	125	11	8.8	10	8.0	1	0.8	7	5.6	57	45.6	25	20.0	1	0.8	2.4	10.0
SPRINGDALE	46	0	0.0	0	0.0	0	0.0	5	10.9	29	63.0	0	0.0	6	13.0	15.2	100.0
STAGE III TOTALS	296	59	9.9	22	3.7	5	0.8	69	11.6	97	43.7	63	10.6	62	10.4	3.2	100.0
STAGE IV																	
CENTRAL AVENUE	40	5	12.5	1	2.5	1	2.5	1	10.0	19	47.5	4	10.0	5	12.5	2.5	100.0
BAYVIEW AVENUE NO	72	5	6.9	1	1.4	0	0.0	14	19.4	33	45.8	7	9.7	7	9.7	2.9	99.9
SOUTH BRIDGE	104	2	1.9	0	0.0	0	0.0	14	13.5	65	62.2	8	7.7	8	7.7	6.7	100.0
STAGE IV TOTALS	216	12	5.6	2	0.9	1	0.5	32	14.8	117	54.2	19	8.8	20	9.2	6.0	100.0
STAGE V																	
LOVE	61	3	4.9	0	0.0	0	0.0	10	16.3	34	55.7	2	3.3	6	9.8	9.8	100.0
BEAVER	27	2	7.4	0	0.0	0	0.0	5	18.5	9	33.3	5	18.5	2	7.4	4.4	100.0
STAGE V TOTALS	88	5	5.7	0	0.0	0	0.0	15	17.0	43	48.9	7	7.9	8	9.1	14.2	100.0
Area Not	71	1	1.4	0	0.0	0	0.0	1	1.4	1	1.4	1	1.4	1	1.4	1.4	100.0

A PROPERTY AS ACQUIRED BY CITY OF NEWARK  
AS A RESULT OF TAX DEEDS, PURCHASES, ETC.

• THE COMMERCIAL BANK CATEGORY INCLUDES THE  
FOLLOWING BANKS IN NEWARK:

STANDARD BANK OF NEWARK

# PERCENT OF RESIDENTIAL TRANSACTIONS BY AREAS OF THE CITY

JUNE 1974 - AUGUST 1975

AREA	POPULATION	PERCENT OF CITY TOTAL	NUMBER OF HOUSING UNITS (2-FAMILY)	PERCENT OF CITY TOTAL	TOTAL RESIDENTIAL TRANSACTIONS	PERCENT OF CITY TOTAL	PRIVATE	PERCENT OF CITY TOTAL	MFG. CO.	PERCENT OF CITY TOTAL	SAVINGS & LOAN	PERCENT OF CITY TOTAL	ALL OTHER INSTITUTIONS (2)	PERCENT OF CITY TOTAL
FRENCH HILL	17,042	4.5	3,176	4.8	109	6.9	58	7.0	19	5.7	19	12.4	13	5.0
BRANCH BROOK	7,890	2.1	1,616	2.4	26	1.7	12	1.4	7	2.1	3	2.0	5	1.9
ROSENVILLE	22,646	5.9	4,915	7.4	118	7.5	54	6.5	37	11.1	9	5.9	19	7.4
WEST MARKET	23,851	6.2	5,118	7.7	123	7.8	71	8.5	11	3.3	0	0.0	40	15.5
CENTRAL AVE	10,927	2.7	1,595	2.0	30	1.9	19	2.3	5	1.5	1	0.6	5	1.9
DOWNTOWN	7,749	2.0	1,023	1.5	32	2.0	28	3.2	0	0.0	0	0.0	5	1.9
VALESBURG	34,714	9.1	8,674	13.0	281	17.8	82	9.8	117	35.1	32	20.9	51	19.8
CLINTON HILL	31,768	8.3	5,850	8.8	86	5.5	57	6.8	11	3.3	10	6.5	8	3.1
CORE	30,389	7.9	3,311	4.9	47	3.0	34	4.1	3	0.9	0	0.0	10	3.9
WEEQUAHIC	25,974	6.8	3,332	7.9	44	6.0	42	5.0	38	11.4	3	2.0	11	4.3
DARTMOUTH ST.	23,913	6.3	3,077	4.6	53	3.4	53	4.0	5	1.5	1	0.6	14	5.4
DARTMOUTH ST.	2,8516	7.5	4,572	6.8	96	6.1	42	5.0	34	10.2	6	3.9	14	5.4
BELMONT	16,338	4.3	1,252	1.9	16	1.0	9	1.1	2	0.6	0	0.0	5	1.9
SOUTH BROAD	16,944	4.4	2,356	3.5	81	5.1	65	7.8	2	0.6	0	0.0	14	5.4
EAST NEWARK	16,409	4.3	3,641	5.5	66	4.2	56	4.3	3	0.9	17	11.1	10	3.9
IRONBOND	23,184	6.1	5,045	7.5	102	6.5	50	6.0	1	0.3	40	26.1	11	4.3
AIRPORT	124	0.03	28	0.04	3	0.2	2	0.2	1	0.3	0	0.0	0	0.0
LOWER BROADFIELD	22,566	5.9	3,213	4.9	93	6.0	62	7.4	16	4.8	4	2.6	13	5.0
BROADWAY	21,109	5.5	3,185	4.8	118	7.5	79	9.5	21	6.3	8	5.2	10	3.9
TOTALS	582,403		66,765		1579		835		333		153		258	

1. TOTAL TRANSACTIONS FOR RESIDENTIAL 1-4 FAMILY  
LESS CITY, NEWARK, PHILA-VA

2. TRANSACTIONS BY COMMERCIAL BANKS, SAVINGS  
BANKS, INSURANCE COMPANIES, BUSINESSSES &  
CREDIT UNIONS.

SOURCES ESSEX COUNTY REAL ESTATE DIRECTORY,  
1974-1975.

CENSUS TOCSES, NEWARK, N. J. 515A5, TABLE A1,  
CENTRAL CHARACTERISTICS OF THE POPULATION:  
1970

APPENDIX 7.

Chart of Primary Mortgage Transactions for City of Newark  
June 1974 - August 1975.

# PRIMARY MORTGAGE TRANSACTIONS - CITY OF NEWARK

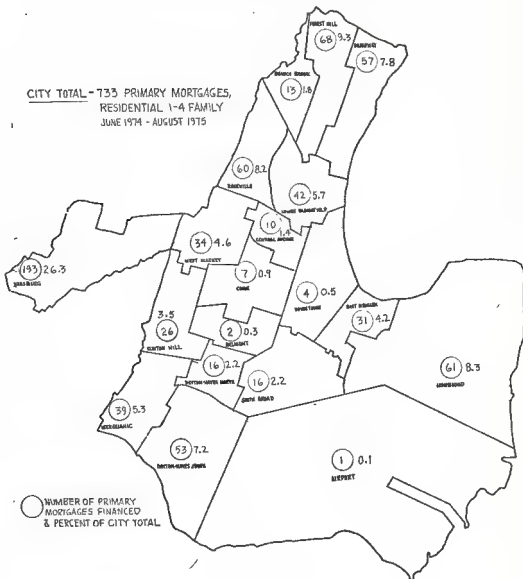
JUNE 1974 - AUGUST 1975

AREA	TOTAL PRIMARY TRANSACTIONS FOR AREA	PRIVATE	% OF AREA PRIMARY TRANS	MTG CO.	% OF AREA PRIMARY TRANS	SAVINGS & LOAN	% OF AREA PRIMARY TRANS	COMMERCIAL & SAV. BANK	% OF AREA PRIMARY TRANS	INSURANCE & BUSINESSES	% OF AREA PRIMARY TRANS	FHA/VA	% OF AREA PRIMARY TRANS	AREA % OF TOTAL PRIMARY TRANSACTIONS FOR THE CITY	TOTAL OF PERCENTS FOR AREA
STAGE I															
YALSBURG	193	21	10.9	109	56.5	28	14.5	24	12.4	10	5.2	1	0.5	26.3	100.0
FOREST HILL	68	26	38.2	17	25.0	18	26.5	7	10.3	0	0.0	0	0.0	9.3	100.0
TOTALS	261	47	18.0	126	48.3	46	17.6	31	11.9	10	3.8	1	0.4	35.6	100.0
STAGE II															
ROSELLE	60	15	25.0	27	45.0	7	11.7	4	6.7	3	5.0	4	6.7	8.2	100.0
BRANCH BROOK	13	2	15.4	7	53.8	2	15.4	2	15.4	0	0.0	0	0.0	1.8	100.0
DRYTON-HAYES S	53	10	18.9	28	52.8	4	7.5	4	7.5	2	3.8	5	9.4	7.2	100.0
WEEQUAH C	39	5	12.8	27	69.2	3	7.7	1	2.6	1	2.6	2	5.1	5.3	100.0
EAST NEWARK	31	14	45.2	2	6.4	11	35.5	4	12.9	0	0.0	0	0.0	4.2	100.0
IRONBOUND	61	22	36.1	1	1.6	30	49.2	5	8.2	3	4.9	0	0.0	8.3	100.0
TOTALS	257	68	26.4	92	35.8	57	22.2	20	7.8	9	3.5	11	4.3	35.1	100.0
STAGE III															
WEST MARKET	34	18	52.9	10	29.4	0	0.0	2	5.9	2	5.9	2	5.9	4.6	100.0
BROADWAY	57	31	54.4	20	35.1	6	10.5	0	0.0	0	0.0	0	0.0	7.8	100.0
LOWER BLUM	42	17	40.5	16	38.1	4	9.5	3	7.1	2	4.7	0	0.0	5.7	100.0
CLINTON HILL	26	13	50.0	4	15.4	4	15.4	0	0.0	0	0.0	5	19.2	3.5	100.0
DENNYTOWN	4	4	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0.5	100.0
TOTALS	163	83	50.9	50	30.7	14	8.6	5	3.1	4	2.4	7	4.3	22.2	100.0
STAGE IV															
CENTRAL AVE	10	4	40.0	2	20.0	0	0.0	1	10.0	1	10.0	2	20.0	1.4	100.0
DRYTON-HAYES N	6	8	50.0	1	6.3	1	6.3	0	0.0	5	31.2	1	6.3	2.2	100.0
SOUTH BROAD	16	11	68.7	3	18.7	0	0.0	0	0.0	2	12.5	0	0.0	2.2	100.0
TOTALS	42	23	54.8	6	14.2	1	2.4	1	2.4	8	19.0	3	7.1	5.7	100.0
STAGE V															
CORE	7	3	42.8	1	14.3	0	0.0	0	0.0	1	14.3	2	28.5	0.9	100.0
BELMONT	2	1	50.0	1	50.0	0	0.0	0	0.0	0	0.0	0	0.0	0.3	100.0
TOTALS	9	4	44.4	2	22.2	0	0.0	0	0.0	1	11.1	2	22.2	1.2	100.0
AIRPORT	1	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0.1	100.0
TOTALS FOR CITY	733	225	30.7	277	38.2	118	16.4	57	7.8	32	4.4	24	3.3	100.0	100.0



# PRIMARY MORTGAGES - TOTAL FOR AREAS AND PERCENT OF CITY TOTAL (RESIDENTIAL 1-4 FAMILY)

CITY TOTAL - 733 PRIMARY MORTGAGES,  
RESIDENTIAL 1-4 FAMILY  
JUNE 1974 - AUGUST 1975

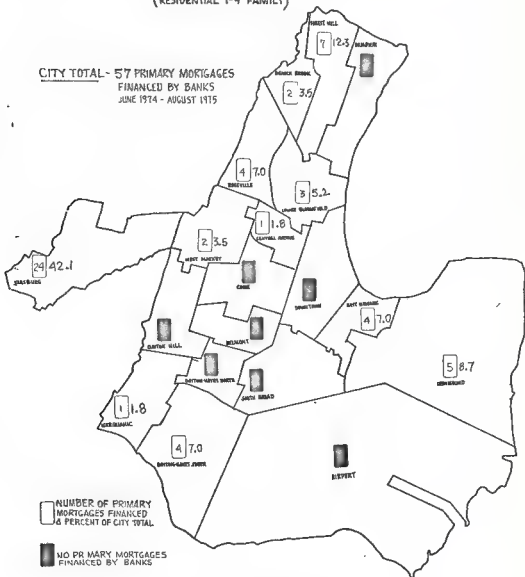


**CITY TOTAL- 225 PRIMARY MORTGAGES  
FINANCED BY PRIVATE  
PARTIES  
JUNE 1974 - AUGUST 1975**

Ward	Number of Mortgages	Percent of City Total
Ward 1 (East Riverfront)	26	11.6%
Ward 2 (Riverfront)	31	13.8%
Ward 3 (East Riverfront)	2	0.8%
Ward 4 (East Riverfront)	15	6.7%
Ward 5 (East Riverfront)	17	7.6%
Ward 6 (East Riverfront)	4	1.8%
Ward 7 (East Riverfront)	18	8.0%
Ward 8 (East Riverfront)	3	1.3%
Ward 9 (East Riverfront)	4	1.8%
Ward 10 (East Riverfront)	13	5.8%
Ward 11 (East Riverfront)	0.4	1%
Ward 12 (East Riverfront)	8	3.6%
Ward 13 (East Riverfront)	1	0.4%
Ward 14 (East Riverfront)	5	2.2%
Ward 15 (East Riverfront)	10	4.4%
Ward 16 (East Riverfront)	21	9.3%
Ward 17 (East Riverfront)	22	9.8%

**LEGEND:**  
 ○ NUMBER OF PRIMARY MORTGAGES FINANCED BY PRIVATE PARTIES & PERCENT OF CITY TOTAL  
 ★ NO PRIMARY MORTGAGES FINANCED BY PRIVATE PARTIES

**CITY TOTAL - 57 PRIMARY MORTGAGES**  
FINANCED BY BANKS  
JUNE 1974 - AUGUST 1975



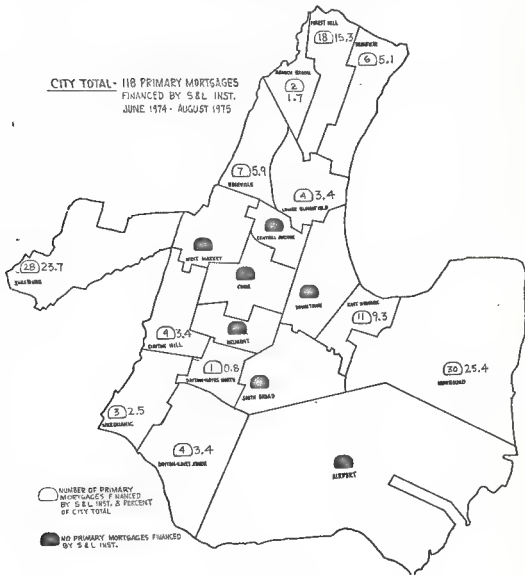
**CITY TOTAL - 277 PRIMARY MORTGAGES FINANCED BY MORTGAGE COS. JUNE 1974 - AUGUST 1975**

District	Number of Mortgages	Percent of City Total
109	39.4	
17	6.1	
20	7.2	
7	2.5	
9.7	2.7	
16	5.8	
0.7	2	
10	3.6	
1	0.4	
4	1.4	
1	0.4	
1	0.4	
3	1.1	
27	9.7	
28	10.1	
1	0.4	
2	0.7	
1	0.4	

LEGEND:  
 [White Box] NUMBER OF PRIMARY MORTGAGES FINANCED BY MORTGAGE COMPANIES & PERCENT OF CITY TOTAL  
 [Black Box] NO PRIMARY MORTGAGES FINANCED BY MORTGAGE COMPANIES

# PRIMARY MORTGAGES FINANCED BY SAVINGS & LOAN INST. TOTAL FOR AREA & PERCENT OF CITY TOTAL (RESIDENTIAL 1-4 FAMILY)

CITY TOTAL - 118 PRIMARY MORTGAGES  
 FINANCED BY S&L INST.  
 JUNE 1974 - AUGUST 1975



NEWARK, NEW JERSEY

MAP 5

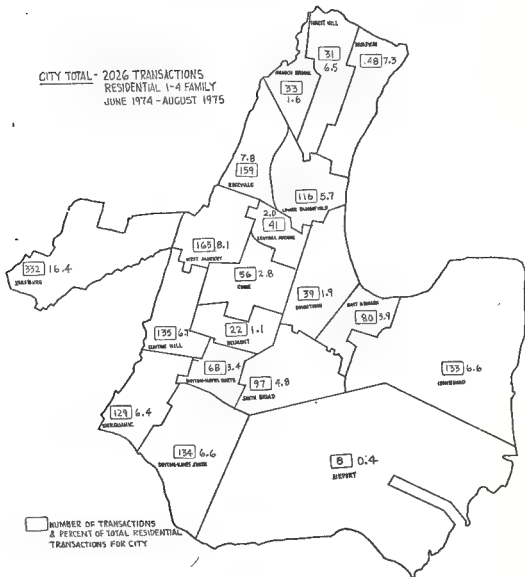
APPENDIX 8.

Maps of Lending Activity for City of Newark

Illustrating distribution of financing by areas and by type of financing (private, S & L, etc.). These maps also indicate the total transactions for the City and the areas' percentage of the City total.

# TOTAL RESIDENTIAL TRANSACTIONS FOR AREAS AND PERCENT OF CITY TOTAL (RESIDENTIAL 1-4 FAMILY)

CITY TOTAL - 2026 TRANSACTIONS  
RESIDENTIAL 1-4 FAMILY  
JUNE 1974 - AUGUST 1975



**CITY TOTAL- 333 TRANSACTIONS FINANCED BY MORTGAGE COMPANIES**  
**JUNE 1974 - AUGUST 1975**

**LEGEND:**  
 [Box with number] NUMBER OF TRANSACTIONS FINANCED BY MORTGAGE CO. & PERCENT OF CITY TOTAL.  
 [Shaded box] NO TRANSACTIONS FINANCED BY MORTGAGE COMPANIES

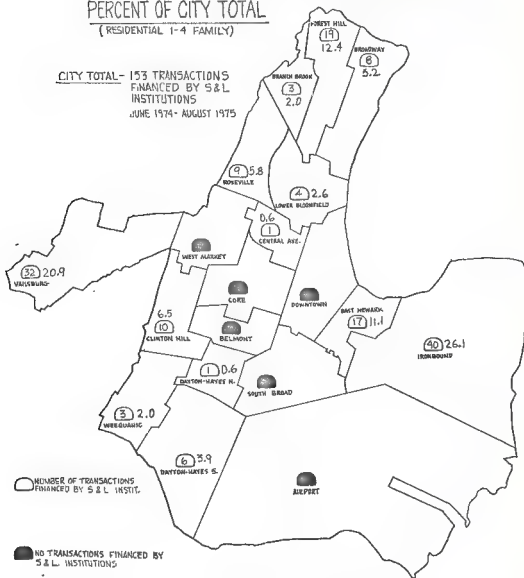
Neighborhood	Number of Transactions	Percent of City Total
FOREST HILL	19	5.7
BROADWAY	21	6.3
FRANK BROSCH	7	2.1
ROSEVILLE	37	11.1
UPPER WOODFIELD	16	4.8
CENTRAL AVE.	5	1.5
WEST MARKET	11	3.3
VALSBURG	117	35.1
CORE	3	0.9
CLINTON HILL	11	3.3
BELMONT	2	0.6
DAYTON-HAYES N.	5	1.5
SOUTH BROAD	2	0.6
DAYTON-HAYES S.	34	10.2
WEDGEWICK	35	11.4
DOWNTOWN	3	0.9
EAST NEWARK	3	0.9
IRONBOUND	1	0.3
AIRPORT	1	0.3



# TOTAL RESIDENTIAL TRANSACTIONS FINANCED BY SAVINGS & LOAN INSTITUTIONS-TOTAL FOR AREA & PERCENT OF CITY TOTAL

(RESIDENTIAL 1-4 FAMILY)

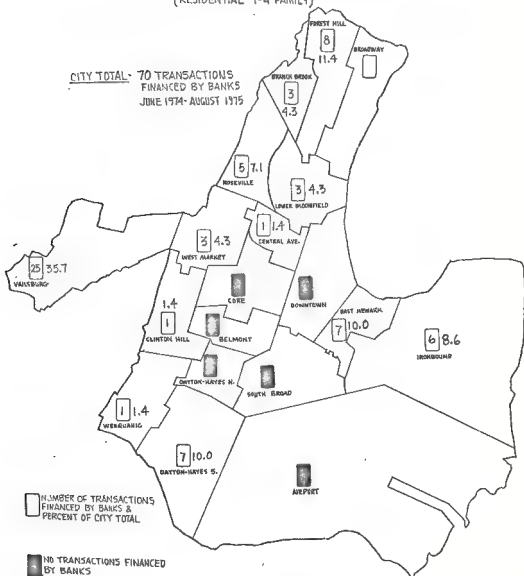
CITY TOTAL - 153 TRANSACTIONS  
FINANCED BY S&L  
INSTITUTIONS  
JUNE 1974 - AUGUST 1975



NEWARK, NEW JERSEY

# TOTAL RESIDENTIAL TRANSACTIONS FINANCED BY COMMERCIAL & SAVINGS BANKS-TOTAL FOR AREA & PERCENT OF CITY TOTAL (RESIDENTIAL 1-4 FAMILY)

CITY TOTAL - 70 TRANSACTIONS  
FINANCED BY BANKS  
JUNE 1974-AUGUST 1975

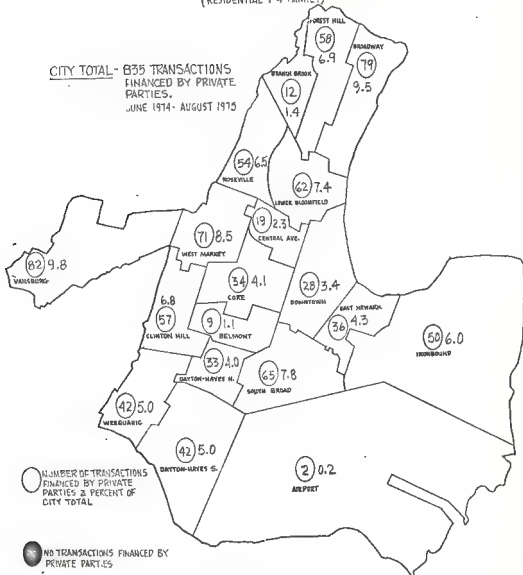


NEWARK, NEW JERSEY

MAP 4

# TOTAL RESIDENTIAL TRANSACTIONS FINANCED BY PRIVATE PARTIES-TOTAL FOR AREA & PERCENT OF CITY TOTAL (RESIDENTIAL 1-4 FAMILY)

CITY TOTAL - 835 TRANSACTIONS  
FINANCED BY PRIVATE  
PARTIES.  
JUNE 1974- AUGUST 1975

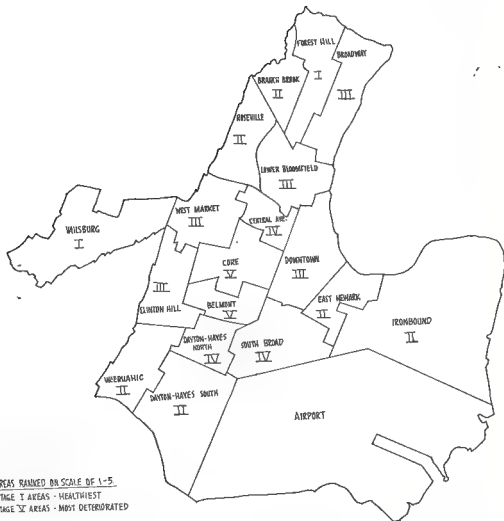


NEWARK, NEW JERSEY

MAP 5

APPENDIX 9.

Map of the City Divided Into 19 Neighborhoods,  
Indicating Ranking by Condition.



RANKING OF THE 19 AREAS OF NEWARK, N.J.

APPENDIX 10.

Tables of Social, Economic and Housing Characteristics of the  
19 Newark Neighborhoods.

# SOCIAL AND ECONOMIC CONDITIONS OF THE 19 NEWARK NEIGHBORHOODS

AREA	TOTAL POPULATION	PERCENT BLACK	NUMBER OF FAMILIES W/ FEMALE HEAD OF HOUSEHOLD	PERCENT OF FAMILIES W/ FEMALE HEAD OF HOUSEHOLD	PERCENT OF FAMILIES W/ BOTH HUSBAND & WIFE	NUMBER OF CHILDREN UNDER 18 YRS. OF AGE	PERCENT OF POPULATION UNDER 18 YRS. OF AGE	MEDIAN INCOME	NUMBER OF FAMILIES W/ INCOME BELOW \$4,000 PER YR.	PERCENT OF FAMILIES W/ INCOME BELOW \$4,000 PER YR.	NUMBER OF FAMILIES W/ INCOME BELOW POVERTY LEVEL	PERCENT OF FAMILIES W/ INCOME BELOW POVERTY LEVEL	NUMBER OF FAMILIES ON PUBLIC WELFARE	PERCENT OF FAMILIES ON PUBLIC WELFARE
STAGE I														
VALSBLRG	34,774	7.5	1507	15.9	78.9	8,450	24.3	10,363	1109	11.7	673	7.1	474	5.0
FOREST HILL	17,042	3.3	675	15.4	79.5	4,090	24.0	10,747	373	8.5	294	6.7	276	6.3
STAGE I TOTALS	51,816	5.4	2,182	15.6	79.2	12,540	24.2	10,555	482	10.1	967	6.9	750	5.6
STAGE II														
ROSEVILLE	22,646	22.5	1229	21.0	73.8	11,708	31.7	8,973	984	16.9	611	10.5	710	2.2
BROADWAY BROOK	7,820	16.1	396	19.0	76.8	3,456	43.8	7,886	511	24.5	313	15.0	298	14.3
DAYTON HAYES SO	28,816	81.2	1832	26.9	53.4	9,480	32.9	8,059	1407	20.7	1176	17.3	924	13.6
WEEQUANIC	25,914	87.6	1562	25.5	68.6	8,344	32.3	8,387	668	14.2	769	15.0	1127	18.4
EAST NEWARK	16,409	4.3	481	11.1	85.5	4,467	27.2	9,898	498	11.5	390	9.0	286	6.6
IRONBOUND	23,184	6.4	957	15.8	78.7	6,478	30.0	9,405	860	14.2	606	10.0	539	8.9
STAGE II TOTALS	124,859	36.4	6,457	29.9	72.5	44,133	36.3	8,768	5,128	17.0	3,865	10.8	3,884	2.3
STAGE III														
WEST MARKET	23,851	85.1	1,863	35.5	59.5	5,867	24.6	5,848	1,248	25.8	945	18.0	1,320	24.8
BROADWAY	21,109	29.2	1,367	21.0	67.5	7,346	34.8	7,071	1,512	29.9	1,053	20.8	936	18.5
LOWER BLOOMFIELD	22,566	21.2	1,355	25.8	68.6	7,943	35.2	6,731	1,585	26.3	1,224	23.3	1,140	21.7
CLINTON HILL	31,768	85.6	2,526	34.6	60.2	12,681	39.9	7,135	1,777	28.4	1,878	24.7	1,893	24.9
DOWNTOWN	7,749	52.1	312	23.1	69.9	1,875	24.2	6,722	329	24.4	265	19.6	267	19.8
STAGE III TOTALS	107,043	49.2	7,423	29.2	65.1	35,712	31.7	6,701	6,251	25.6	5,365	21.3	5,556	21.9
STAGE IV														
CENTRAL AVENUE	10,297	72.9	743	36.1	60.4	3,728	36.2	6,011	712	33.7	539	25.5	565	26.7
DAYTON HAYES NO.	23,813	96.4	2,127	39.6	54.9	9,668	40.4	6,317	1,531	28.5	1,429	26.6	1,681	31.6
SOUTH BROAD	16,944	64.4	1,196	32.7	60.5	5,981	35.3	6,209	1,047	28.6	935	25.5	908	24.8
STAGE IV TOTALS	51,154	77.9	4,066	36.1	58.6	19,317	37.3	6,179	3,280	30.3	2,901	25.9	3,154	27.7
STAGE V														
CORE	39,389	82.4	2,855	44.5	50.1	14,029	39.6	5,192	2,575	40.2	2,255	35.2	2,580	39.8
BELMONT	6,336	95.9	1,497	40.1	55.8	7,642	43.1	6,484	1,310	35.1	1,243	33.3	1,066	28.4
STAGE V TOTALS	46,725	89.2	4,352	42.3	52.2	21,671	41.4	5,356	3,885	37.6	3,498	34.2	3,646	34.1
CITY TOTALS	361,597	54.2	24,500	27.0	67.6	82,835	34.8	17,355	26,598	29.3	6,771	18.4	16,877	18.6

2. CENSUS TRACT 58-AIRPORT Omitted from tally because of lack of statistical importance

SOURCE: CENSUS TRACTS - NEWARK, N.J. STANDARD METROPOLITAN STATISTICAL AREA  
1970 POPULATION AND DENSITY

# HOUSING CHARACTERISTICS

AREA	1970 TOTAL HOUSING UNITS	1970 TOTAL OCCUPIED UNITS	1970 PERCENT OCCUPIED UNITS	1970 PERCENT OCCUPIED	1970 NUMBER OF FAMILY UNITS	1970 PERCENT FAMILY UNITS	1970 NUMBER OF FAMILY UNITS	1970 PERCENT FAMILY UNITS	1970 MEDIUM RENT	1960 NUMBER OF FAMILY UNITS	1960 PERCENT FAMILY UNITS	1960 PERCENT FAMILY UNITS
<b>STAGE I</b>												
WALLSBURG	12,183	12,023	98.7	37.1	8,474	70.9	64.1	70.7	5.0	11,461	96.7	34.4
FOREST HILL	6,482	6,318	97.5	28.6	5,170	41.8	64.0	40.2	6.2	4,537	92.6	32.3
<b>STAGE I TOTALS</b>	<b>18,665</b>	<b>18,341</b>	<b>98.1</b>	<b>32.8</b>	<b>13,644</b>	<b>72.7</b>	<b>64.0</b>	<b>55.9</b>	<b>6.0</b>	<b>15,998</b>	<b>95.1</b>	<b>66.7</b>
<b>STAGE II</b>												
ROSEVILLE	7,713	7,514	97.4	26.0	4,913	63.8	80.2	74.0	9.6	5,011	77.2	12.9
BRANCH BOWK	5,325	5,287	99.4	15.9	1,616	16.3	55.3	26.8	8.2	1,771	81.5	36.3
DUTTON-HAYES 50	9,917	9,541	96.2	20.6	4,502	49.9	49.9	10.7	10.8	8,088	92.4	61.3
WEDGEMAN	7,559	7,371	97.5	28.8	5,322	50.4	66.2	10.5	13.3	7,287	96.0	26.0
EAST NEWARK	5,331	5,220	97.9	21.4	3,641	48.1	90.8	8.5	16.3	3,948	76.8	10.0
IRON BOUND	7,541	7,375	97.7	28.0	5,045	4.3	86.7	9.6	12.8	5,959	80.8	12.3
<b>STAGE II TOTALS</b>	<b>41,386</b>	<b>40,314</b>	<b>97.0</b>	<b>23.4</b>	<b>25,129</b>	<b>29.5</b>	<b>71.5</b>	<b>9.0</b>	<b>11.8</b>	<b>32,154</b>	<b>84.1</b>	<b>4.5</b>
<b>STAGE III</b>												
WEST MARKET	6,916	6,532	94.4	30.9	5,118	5.3	80.0	1.6	25.2	4,137	50.9	3.2
BROADWAY	7,267	6,570	90.4	17.2	5,153	5.3	75.6	1.3	16.3	6,187	92.6	4.6
LOWIE BURNFIELD	7,675	7,246	94.4	14.8	3,213	4.3	63.0	1.3	18.1	6,179	80.3	1.6
CLINTON HILL	9,345	8,474	90.7	25.4	5,600	7.6	78.8	1.4	17.8	6,986	83.6	1.5
DOWNTOWN	4,640	4,394	94.7	9.6	1,235	2.4	65.5	1.0	13.6	2,194	42.6	2.3
<b>STAGE III TOTALS</b>	<b>35,243</b>	<b>32,166</b>	<b>91.8</b>	<b>19.2</b>	<b>18,447</b>	<b>25.7</b>	<b>72.2</b>	<b>6.1</b>	<b>17.8</b>	<b>26,283</b>	<b>79.0</b>	<b>8.7</b>
<b>STAGE IV</b>												
CENTRAL AVENUE	3,107	2,871	92.4	9.0	1,835	2.5	82.7	5.3	18.6	1,518	40.6	1.8
DUTTON-HAYES NO.	7,326	6,988	95.5	10.2	2,967	5.8	80.4	1.4	20.1	4,668	62.1	3.5
SOUTH BROAD	6,152	5,707	92.7	10.7	2,556	4.9	74.7	1.1	20.6	3,487	44.9	3.1
<b>STAGE IV TOTALS</b>	<b>16,585</b>	<b>15,517</b>	<b>93.5</b>	<b>10.0</b>	<b>6,778</b>	<b>13.0</b>	<b>79.3</b>	<b>3.1</b>	<b>19.8</b>	<b>9,673</b>	<b>49.2</b>	<b>7.4</b>
<b>STAGE V</b>												
CORE	9,168	8,614	93.9	5.9	5,111	5.2	53.4	2.3	24.4	3,796	35.7	4.2
BEAUMONT	5,564	5,203	93.5	12.6	1,802	2.8	48.2	9.8	17.7	4,321	53.1	3.0
<b>STAGE V TOTALS</b>	<b>14,732</b>	<b>13,817</b>	<b>93.8</b>	<b>9.2</b>	<b>6,913</b>	<b>8.0</b>	<b>50.6</b>	<b>5.3</b>	<b>21.1</b>	<b>8,117</b>	<b>44.1</b>	<b>6.2</b>
<b>CITY TOTALS</b>	<b>121,424</b>	<b>121,041</b>	<b>99.0</b>	<b>20.6</b>	<b>66,801</b>	<b>21.1</b>	<b>71.6</b>	<b>2.9</b>	<b>10.7</b>	<b>104,811</b>	<b>72.4</b>	<b>28.4</b>

A-CENTURY TRACT 30. AIRPORT DIVIDED FROM TRACT 1  
BECAUSE OF LACK OF STATISTICAL IMPORTANCE

SOURCE: CENSUS TRACTS, MEMPHIS, N. J. STANDARD METROPOLITAN  
STATISTICAL AREA, 1970



APPENDIX 11.

Ranking of the Neighborhoods of the City of Newark, According  
to Social and Economic Indicators.

Appendix 11.

Description and Ranking of Newark Neighborhoods,  
According to Social and Economic Indicators.

Since the purpose of the report is to provide information about Newark which can lead to increased private housing investment and to neighborhood improvement, it was necessary to describe and compare the physical and social conditions of the City's neighborhoods. Obviously, there is no absolute and definitive way to compare areas, and the limitations of any method for ranking neighborhoods according to conditions are fully recognized. In order to have some framework for analyzing the data on mortgage lending, however, a method for describing neighborhoods and comparing those with similar characteristics was needed.

This section is based on 1960 and 1970 Census data for Newark, which has been divided into nineteen neighborhoods by Census tracts. (See map, Appendix 3.) The data has been used to rank each neighborhood I, II, III, IV, or V, from healthiest to most deteriorated. The method used for ranking is a careful attempt to use objective measures, but such data is always subject to different interpretation, use of new information, and changing conditions. It would be a mis-use of these rankings to consider them either absolute or permanent.

Initially, seventy-seven Census variables were used by the Urban Studies Department of Rutgers University to produce information from all ninety-eight Newark census tracts. From this general listing, twenty-nine of

the seventy-seven variables were selected for analysis and the Census tracts were grouped into nineteen neighborhoods, based on neighborhood planning criteria. A gross comparison of the variables was made for 1960 and 1970, noting percentages and directions of change. The following variables were used:

1. Total Population
2. Total White
3. Total Black
4. Total Puerto Rican
5. Median Family Income
6. Families w/income below \$4,000/yr.
7. Families w/income above \$15,000/yr.
8. Families w/income below Poverty level (1970 only)
9. Families receiving Public Assistance (1970 only)
10. Total of all Families
11. Families w/Female Head of Household
12. Families w/Husband & Wife
13. Number of Children under 18 yrs. of Age
14. Median Household Size
15. Median Education (population 25 yrs. & older)
16. Percent of Population 25 yrs. & older, High School Grads
17. Percent Unemployed (Labor force 16 yrs. & older -  
male and female)

18. Total Housing Units
19. Owner Occupied
20. Renter Occupied
21. Median Rent
22. Single Family Units
23. Multi-family Units (5 units or more)
24. Persons per room - 1.01 persons or more
25. Units built between 1960 - 1970
26. Units built 1939 or before
27. Percent of Housing Units Sound (1960)
28. Percent of Housing Units deteriorating (1960)
29. Percent of Housing Units delapidated (1960)

These variables were then measured against selected criteria for ranking the condition of neighborhoods in five stages. These criteria are drawn generally from reports of the U.S. Department of Housing and Urban Development.\* The criteria are as follows:

Stage I (Healthiest)

- . High percentage of families (Husband & Wife)
- . Low percentage of children under 18 yrs. of age

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\* U.S. Department of Housing and Urban Development, Neighborhood Preservation, A Catalog of Local Programs, February 1975; and The Dynamics of Neighborhood Change, May 1975.

- . Middle or High Income Level (Median Income)
- . Educational involvement - high percentage of students attending school (High percentage of High School Graduates). (High percentage of persons in Higher Education)
- . Predominately single family homes  
or
- . Mainly apartment or townhouses
- . Condition of Housing Units - overwhelmingly sound units
- . 1.0 persons or less per room
- . High percentage of owner occupied units
- . City services - good

#### Stage II

- . Lower income
- . Number of children under 18 yrs. relatively high
- . Educational involvement (moderate)
- . 1.01 or more persons per room
- . City services - fair

#### Stage III

- . Number of children under 18 yrs. - very high
- . Poor upkeep of housing units
- . Fewer owner occupied buildings

- . Educational involvement - low
- . Over crowding of housing units
- . Welfare families - moderate amount (5-10%)
- . City service - declining
- . Low percentage of owner occupied units
- . Larger families (persons per household)
- . Some vacant houses

#### Stage IV

- . Significant drop in population
- . High percentage of low income families
- . High percentage of families with either male or female head of household (one parent)
- . High percentage of welfare recipients
- . Housing units in poor condition
- . City services - poor

#### Stage V (most deteriorated)

- . Buildings abandoned
- . Many vacant areas
- . Extremely high percentage of very poor residents
- . Most housing units deteriorating and delapidated
- . City services - almost non-existent

. Very sharp decline in population

Utilizing these data and criteria, the nineteen Newark neighborhoods can be grouped by socio-economic conditions as follows:

Stage I : Forest Hill, Vailsburg.

Stage II: Roseville, Branch Brook, Weequahic, Dayton-Hayes South, Ironbound, East Newark.

Stage III: Clinton Hill, Lower Bloomfield, Broadway, Downtown, West Market.

Stage IV: Central Avenue, Dayton-Hayes North, South Broad.

Stage V: Core, Belmont.

A map indicating the condition of neighborhoods by this method of ranking is included as Appendix 7 of the report. The key Census variables for each neighborhood are listed in the table which is Appendix 8. The following discussion provides a brief description of each neighborhood, indicating significant changes from 1960 to 1970. It should be noted that no data more recent than 1970 has been used, although visual surveys were made for each neighborhood. In particular, new housing construction under

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\* For information about the facilities and institutions in Newark Neighborhoods, see the Urban Development Policy report of the Mayor's Policy and Development Office, Section 6. 'State of the City by Planning Areas.' June 1975.

urban renewal, public housing, and state Housing Finance Agency programs in some of the most deteriorated inner City neighborhoods is not accounted for in the data. \* Improvements are being made in housing rehabilitation, street lighting, parks and playgrounds, health centers, neighborhood centers, and other City services through the City's Community Development and related programs.

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\* For details about the urban renewal program, see A Study and Analysis of the Redevelopment Program of the City of Newark, N.J. by the Newark Redevelopment and Housing Authority, August 1975.



Vailsburg (Stage I)

The Vailsburg neighborhood is composed of census tracts 19, 20, 21, 22, 23, 24, and 25.

The population of the area has remained nearly stable with 35,709 persons in 1960 and 34,744 in 1970. The white percentage of the population decreased 10 percent to comprise 91.1% of the total population in 1970.

The median income of the area was \$6,906 in 1960 and \$10,363 in 1970. The number of families with incomes below \$4,000 rose from 4.4% in 1960 to 11.7% in 1970, but families with incomes of \$15,000 or more also rose substantially. Only 5.0% of Vailsburg families received welfare, and 7.1% had incomes below the poverty level.

Approximately 79% of the families in the area were headed by both husband and wife, and educational attainment was at a median level of 10.6 years, with 39% of person 25 years and older being high school graduates.

Vailsburg contained 12,183 housing units, which was 10% of all the occupied housing units within the city. These figures include 2,510 single-family and 6,164 two-to-four family units. Owner occupancy is at 37.1%, the highest in the City. There has been a decrease in pre-1940 housing, and the housing stock has been sound and stable.

The area evidences a high degree of city services, well maintained streets, excellent street illumination, and few signs of blight or decay. New scatter-site housing and recreation facilities are planned for the Brookdale Avenue area along with improvements in portions of the South Orange Avenue shopping area.

Forest Hill (Stage I)

The Forest Hill neighborhood is composed of census tracts 1, 94, and 95.

The 1970 population was 17,042 residents, compared with 14,545 in 1960, making Forest Hill one of the few areas of the City with increased population. The white percentage of the area's population decreased from 99.1% in 1960 to 89.7% in 1970, but the absolute number of white persons increased by 6%. The Black population increased 54%, and the Spanish-speaking population increased 2611% from a small base during this same period.

The median income for the area rose from \$7,149 in 1960 to \$10,747 in 1970. For comparison, the median income in 1970 in Newark was \$7,734 and, in the Newark metropolitan area (MSA), it was \$12,018. The number of families with incomes under \$4,000 per year increased from 4.7% in 1960 to 8.5% in 1970, but there was also an increase of 68.1% in the number of families with incomes of \$15,000 or more. Approximately 79.5% of the 4,385 families within the area in 1970 headed by both husband and wife, one of the highest percentages for Newark. Only 6.7% of the families had incomes below the poverty level, and 6.3% received welfare in 1970.

Educational attainment was high and increasing with 49.2% of the residents (25 years of older) being high school graduates and the median education being 11.8 years in 1970.

Fifty-one percent of 6,482 housing are in multi-family buildings of more than four units. The area had 1,944 units in two-to-four family buildings and 1,232 single family homes. Owner occupancy in 1970 was at 28.6% which is higher than the city rate of 20.6%, but much lower than the SMSA rate of 53.3% and below the 36.8% rate of 1960. There has been a decline of pre-1940 housing and a stable stock of single-family units.

Cursory inspection of the Forest Hill area indicates good city services (clean streets, little or no accumulation of trash or debris) and good maintenance of streets, sidewalks, and service fixtures. Residences are generally sound. Overall, the area has been stable and is in good condition.

Sources of Lending in Stage I Areas\*

Vailsburg and Forest Hill had some distinct differences in their mortgage lending patterns. Vailsburg had 332 transactions during the study period, more than twice as many transactions as Forest Hill or any other neighborhood in the City. (Appendix 5 shows the breakdown of transactions within each area. Of these total transactions, 282, which is 17.8% of the City total, were transactions other than governmental (City, FHA/VA) or nominal transactions. Vailsburg had a very high proportion of total mortgage company transactions in the City, 35.1%, and also of all City savings and loan transactions, 20.9%. In no other area of the City did large amounts of both conventional (savings and loan) and mortgage company lending co-exist in the same neighborhood. Vailsburg also had a relatively small share, less than 10%, of all private transactions in the City.

Forest Hill had less lending activity than Vailsburg, receiving 6.9% of all transactions, but this proportion was still higher than its 4.8% share of all one-to-four family houses in the city. Forest Hill had 12.4% of City Savings and loan transactions and only 5.7% of all mortgage company lending. Of all transactions within Forest Hill, 44.3% were private, non-institutionally financed sales, compared with Vailsburg, where only 24.7% of the transactions were private, a high figure but nevertheless the lowest degree of reliance on non-institutional financing of any City neighborhood.

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\* For the data which supports the description of lending patterns for Stage I, and later for other neighborhoods, see Appendices 5, 6, and 7.

Thus, Forest Hill had more savings and loan lending than most City neighborhoods, but the amount of non-institutional financing was typical of the rest of the City.

Roseville (Stage II)

The Roseville neighborhood is composed of census tracts 5, 6, 7, 8, and 9.

The 1970 Census indicated a population of 22,646, representing a 14.6% increase over the 1960 population of 19,679. In 1960, the population was 95.2% white, compared with 71.6% in 1970. There were substantial increases in both the black and Spanish-speaking populations.

Median income in 1970 was \$8,973, but there was a 97% increase in the number of families with incomes below \$4,000 between 1960 and 1970. The number of families with incomes of \$15,000 or more remained almost the same. Approximately 10.5% of all families had incomes below the poverty level, and 12.2% were receiving welfare in 1970.

There was a significant increase in the number of children under 18 years of age, from 5,100 in 1960 to 11,708 in 1970. In 1970, 21.1% of all families within the area had female heads of households.

High school graduates were 37.3% of persons 25 years and older, and the median education level was 10.3 years in 1970.

There was a total of 7,713 housing units in Roseville in 1970, of which 787 were single-family and 4,126 were two-to-four family units. The owner occupancy rate for Roseville was 26 percent in 1970, the fifth highest per-

centage in the City. Overcrowding was moderate with 9.6% of the housing units having 1.01 or more persons per room.

The majority of the one-to-four family units in the area are of wood frame construction, and there are indicators of need for cosmetic repairs in several sections of Roseville. There is evidence of a high rate of income producing properties; and the relatively nice appearances of these structures support the high owner occupancy percentage.

The physical appearances of the area indicates a fair to good rating for city services and city maintenance of streets.

Branch Brook (Stage II)

The Branch Brook neighborhood is composed of census tracts 2, 3, and 4.

The total population of the area in 1970 was 7,890 persons, an increase of 908 over 1960. The 1970 population was 80.9% white, compared with 84.3% white in 1960, reflecting an increase in both white and black population during the decade.

The median family income for the area increased from \$5,153 in 1960 to \$7,886 in 1970. However, there was a 184% increase in the number of families with incomes of less than \$4,000 during the ten year period and a decrease of 27.6% in the number of families with annual incomes of \$15,000 and above. Approximately 15% of all families had incomes below the poverty level, and 14.3% received welfare, according to the 1970 reports.

The number of children below 18 years of age increased by 66.3% from 1960 to 1970, while 77% of all families had both husband and wife present in 1970. The median level of education was 8.9 years.

Branch Brook had a total of 3,325 housing units in 1970, including 339 single-family units and 1,277 two-to-four family units. Overall, the number of housing units increased by more than 1,000 between 1960 and 1970 with multi-family units tripling and two-to-four family units increasing



by nearly 40%, while the number of single family units declined. Approximately 16% of the units were owner-occupied in 1970. The rate of overcrowding decreased substantially between Censuses so that 8.2% of all occupied units had 1.01 or more persons per room in 1970.

New senior citizen housing is being planned for an area adjacent to Branch Brook Park.

Dayton-Hayes South (Stage II)

The Dayton-Hayes South area is composed of census tracts 47, 48.01, 48.02, 49, 50, and 51, including a portion of the Weequahic section bordering the Park.

The total population of the area increased by 10% from 26,144 in 1960 to 28,816 in 1970. There was a dramatic change in population from 78% white in 1960 to 81% black in 1970. The Spanish-speaking population increased from 261 in 1960 to a 1,239, or 4% of the population, in 1970.

The median family income increased from \$6,070 in 1960 to \$8,059 in 1970. The number of families with incomes below \$4,000 per year increased by 50%. There was also an increase of 28% in the number of families with incomes of \$15,000 or more per year during the decade. Approximately 17% of all families had incomes below the poverty level, and 14% of the families received welfare in 1970.

From 1960 to 1970, the number of children below 18 years of age increased by 36%. Fifty-three percent of all families had both husband and wife present in 1970. The median education level of the area was 11.1 years, and 41% of the population 25 years and older were high school graduates.

In 1970, there were 9,917 total housing units, including 953 single-family units and 3,639 two-to-four family units. These figures indicate a 34% decline in single-family units and a 43% increase in multi-family (five or more) units, many of them from construction of public housing projects.

Approximately 20% of the City's public housing is located in the Dayton-Hayes South area. For all housing units, the rate of overcrowding was 10.8% in 1970.

The section of Dayton-Hayes South west of Weequahic Park is an attractive residential area of suburban character, containing some of the finest housing in the City.

Demolition required for construction of Route 78 caused the removal of approximately 2,000 housing units. The area immediately adjacent to Route 78 evidences deterioration which should be checked in order to stabilize the area.

A new health center is under construction and a neighborhood facility is planned to serve the public housing complex.

Weequahic (Stage II)

The Weequahic neighborhood is composed of census tracts 43, 44, 45, 46, 56, and 53.

The population of Weequahic changed from 22,881 in 1960 to 25,914 in 1970, including a major racial shift from 7.2% black to 87.6% black. The area is currently regarded as the principal middle-class black neighborhood in the City.

The median family income increased from \$6,446 in 1960 to \$8,387 in 1970 (compared with the \$7,734 median family income for all of Newark in 1970). The proportion of families with incomes below \$4,000 was 7.2% in 1960 and 19.1% in 1970. However, the number of families with incomes above \$15,000 increased by 25.2%. In 1970, 13% of the families in Weequahic had incomes below the poverty level, and 18.4% received welfare.

There were 8,344 children under 18 years of age in 1970, an increase of 48.2% over 1960. The proportion of families with both husbands and wives present was 68.6% in 1970. The median education level was 12.8 years, and 41.5% of persons 25 years old and older were high school graduates in 1970.

The total number of housing units in Weequahic in 1970 was 7,559, about the same number as in 1960, but the number of pre-1940 decreased by 29.9%. Of

the total number of units in 1970, 763 were single-family and 4,559 were two-to-four family units. The owner-occupancy rate for 1970 was 28.8% the third highest area in the City, and 13.3% of the units had 1.01 or more persons per room.

Housing within this area appears to be well-maintained and City services appear adequate. A program to improve and stabilize housing conditions and City services is being developed.

East Newark (Stage II)

The East Newark neighborhood is composed of census tracts 69, 76, 77, 78, and 79.

This area had only minor changes in the number and composition of its population which went from 15,856 in 1960 to 16,409 in 1970. The white percentage of population increased slightly from 87% in 1960 to 91% in 1970.

The 1970 median family income of \$9,898 was one of the highest for Newark, nearly 75% above the \$5,828 level of 1960. The percentage of families with incomes below \$4,000 increased slightly from 10% in 1960 to 11.5% in 1970, but there was an increase of 28% in the number of families with incomes of \$15,000 per year or more. The area had a moderate 9% of the families with incomes below the poverty level and only 7% receiving welfare in 1970.

The percentage of children under 18 years of age dropped from 29% in 1960 to 27% in 1970. A high 84% of all families were headed by both husband and wife. The median level of education was 8.0 years, and 20% of persons 25 years old and older were high school graduates. In 1970, the total East Newark housing stock of 5,331 housing units included 229 single-family units and 3,412 two-to-four family units. More than 90% of the housing stock was built before 1940. The rate of owner occupancy was 21.4% in 1970, and 16.3% of all occupied units were overcrowded.

East Newark and the adjoining Ironbound area are neighborhoods of great ethnic diversity with active commercial shopping and service areas. Housing and businesses are in good condition, and renovation and maintenance work is evident throughout the area.

Ironbound (Stage II)

The Ironbound neighborhood is composed of census tracts 70, 71, 72, 73, 74, 75.01, and 75.02.

The 1970 population was 23,184, compared with 23,799 in 1960. The proportion of whites decreased somewhat to 87% of the total 1970 population.

The median family income increased substantially from \$5,877 in 1960 to \$9,405 in 1970. There was an 85.7% increase from a small base in the number of families with incomes below \$4,000 per year and a 3.1% increase in families with incomes \$15,000 and over for the decade. In 1970, 10% of the families had incomes below the poverty level, and 8.9% received welfare.

Seventy-eight percent of the families had both husband and wife present, and 30% of the population was children under 18 years of age. The educational level for the area was 8.8 years in 1970, and 22.4% of persons 25 and older were high school graduates.

The area had 7,541 housing units in 1970, about 100 more than in 1960. Of these, 679 were single-family units and 4,366 were two-to-four family. Pre-1940 units comprised 86.7% of the housing stock. Twenty-eight percent of the units were owner-occupied, and 12.8% of all units were overcrowded in 1970.



Ironbound has the same characteristics as the East Newark area and is one of the oldest and most stable areas in the City. The area has small industries interspersed and includes a major industrial urban renewal area.

Sources of Lending in Stage II Areas\*

The quantity of residential transactions in all six of the Stage II areas was roughly proportional to their shares of City population and one-to-four family housing units. The large numbers of property transfers which occurred in Vailsburg and, to a lesser extent, Forest Hill were not occurring in these neighborhoods. By this measure, these neighborhoods might be considered more "stable" than the Stage I areas, which have better socio-economic characteristics.

Housing transactions in the Stage II areas depended more on private financing than on any source of institutional lending. The percentage of transactions within each area which were privately financed varied from 31.3% in Dayton-hayes South to 45% in East Newark.

The greatest variations, however, were in the amounts of conventional lending (savings and loan associations and commercial and savings banks) compared with mortgage company lending. Ironbound and East Newark in the East Ward had 34.6% and 30.0%, respectively, of their transactions financed by the conventional lending institutions and only .7% and 3.8% financed by mortgage companies, which presumably rely on FHA and VA insurance for their mortgage lending.

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\* See Appendix 5, 6, and 7.

By contrast, Dayton-Hayes South and Weequahic in the South and East Wards had only 9.7% and 3.1%, respectively, of their transactions from conventional sources, while 25.4% and 29.5% were financed by mortgage companies. Branch Brook and Roseville both had fewer than 18% of their transactions from banks and savings and loan associations, and more than 20% from mortgage companies.

West Market (Stage III)

The West Market neighborhood is composed of census tracts 13, 14, 15, 16, 17, and 18.

This neighborhood had a total population of 23,857 in 1970, a loss of 14% from the 1960 figure of 27,863. There was a sharp decline in the white population during the decade from 55% to 9.4%. The area was 85.1% black and 5.4% Spanish-speaking in 1970.

The median family income was \$5,848 in 1970, up only slightly from \$5,542 in 1960. There was an 84% increase in the number of families with incomes below \$4,000 per year, and 51% reduction in families with incomes of \$15,000 per year and over. In 1970, 18% of the families had incomes below the poverty level, and 25% received welfare. Only 60 percent of the families had both husband and wife present, and 24.6% of the population consisted of children under 18.

The median educational level decreased slightly to 8.5 years in 1970, and 27.6% of persons 25 and older were high school graduates.

The total housing stock in 1970 was 6,916 units, a decrease of 14.9% from 1960. Of these, 698 were single family, and 4,220 were two-to-four family units. There was a substantial decrease in pre-1940 units from 99.4% in 1960 to 80.0% of all units in 1970

The owner occupancy rate declined to 30.9% in 1970, and 23.2% of all units were overcrowded, with more than 1.01 person per room.

The West Market area, which has been included in City conservation, rehabilitation and code enforcement programs, was extremely well maintained during the 1960's and still retains housing stock which is adequate or can be rehabilitated. Block associations have been active in the area, and City services are fair.

Broadway (Stage III)

The Broadway neighborhood is composed of census tracts 92, 93, 96, and 97.

The 1970 population was 21,109 persons, a small increase over 1960. The Black percentage of the population rose from 13% in 1960 to 29% in 1970, while Spanish-speaking persons increased tenfold to 19% of the population in 1970. The white population declined to 52%.

The median family income was \$7,071 in 1970 and \$5,543 in 1960. The number of families with incomes below \$4,000 increased 128% during the decade, and there was a 25.8% decrease in families with incomes of \$15,000 and over. In 1970, 21% of the families had incomes below the poverty level, and 19% received welfare.

The percentage of children under 18 years of age increased to 35% of the total population in 1970, while 68% of all families had both husband and wife present.

The median educational level was 9.9 years, and 32% of persons 25 years old and older were high school graduates.

In 1970, the housing stock in the Broadway area consisted of 7,267 units, only 62 units less than in 1960.

The 1970 stock included 721 single family units and 3,183 two-to-four family units. The owner-occupancy rate in 1970 was 17.2%, and 16.3% of all occupied housing units were overcrowded with 1.01 or more persons per room, about 73% of the units were constructed before 1940.

Many units in this area are brownstone row houses of one to three families, including areas of sound housing which are interspersed with units requiring substantial rehabilitation. An effective rehabilitation program could stabilize the area.

Lower Bloomfield (Stage III)

The Lower Bloomfield neighborhood is composed of census tracts 86, 87, 88, 89, 90, and 91.

In 1970, the population was 22,566 persons, compared with 22,914 in 1960. The Spanish-speaking population increased sixfold to 24% of the area population and the black population to 21%. The white population declined by one-third to 55%.

The median family income in 1970 was \$6,731, increased from \$4,610 in 1960. The number of families with incomes below \$4,000 increased by 26.3%, while the number with incomes of \$15,000 or more increased eightfold, due probably to construction of the Colonnades apartments. Twenty-three percent of the families had incomes below the poverty level, and 22% were receiving welfare in 1970. Thirty-five percent of the population were children under 18 years of age, and 69% of all families had both husband and wife present.

The median educational level was 9.7 years in 1970 and 31.9% of persons 25 and older were high school graduates.

In 1970, the total housing stock included 7,675 units, consisting of 468 single-family units, and 4,106 two-to-four family units. The rate of owner occupancy was only 14.8%, and 18.1% of all occupied units were overcrowded.



Modernization of the Columbus Homes public housing project is under-way, and new low-rise apartments are planned for the area just to the north.

Clinton Hill (Stage III)

The Clinton Hill area consists of Census tracts 26, 27, 34, 35, 37, 41, and 42.

The population in 1970 was 31,768 compared with 28,287 in 1960, and included, in 1970, 86% blacks, 8% whites, and 6% Spanish-speaking persons.

The median family income in 1970 was \$7,135, up from \$5,767 in 1960. Approximately 6% of the families had incomes of \$15,000 and over in 1970, while 24.7% had incomes below the poverty level and 24.9% received public assistance. The number of children under 18 years old comprised 39.9% of the population, and 60.2% of the families had both husband and wife in the household.

The median level of education was 10.2 years, and 31.9% of persons 25 and older were high school graduates in 1970.

There were 9,345 total housing units in 1970, including 679 single-family units and 5,171 two-to-four family units. The owner-occupancy rate was 23.4%, and 17.8% of all units were overcrowded.

There has been substantial rehabilitation within the Clinton Hill area and an active community group has recently completed construction of over 150 units of new garden apartments. Additional new scatter-site housing is planned.

Downtown (Stage III)

The Downtown area is composed of census tracts 80, 81, and 85.

As would be expected based on its largely commercial character the Downtown area had a population of only 7,749 in 1970, down from 12,914 in 1960. There was a drop in both black and white population during the decade, with blacks comprising 52.1% of the total in 1970.

The median family income for the area was \$6,722 for 1970, an increase of \$2,823 over 1960. There was a decline of 35.9% in the number of families with incomes below \$4,000 and a slight increase in the number with incomes of \$15,000 and over. Some 19.6% of the families had incomes below the poverty level, and 19.8% received welfare.

The number of children under 18 years of age made up 24.2% of the 1970 population, and 69.9% of the families had both husbands and wives in the household.

The median educational level for the Downtown area was 10.1 years, and 36.2% of persons 25 and older were high school graduates.

In 1970, the total housing stock was 4,040 units, a decrease of 21% from 1960, and included 135 single-family units and 888 two-to-four family units.

The owner-occupancy rate in 1970 was only 9.6%, and 13.6% of all units were overcrowded.

Approximately 800 units of new housing have been recently constructed or planned for the Downtown area, in addition to substantial amounts of recently rehabilitated multi-family housing on West Kinney Street.

Sources of Lending in Stage III Areas \*

Of these five areas, Broadway and Lower Bloomfield had higher proportions of total City transactions than their shares of City population and housing units; Clinton Hill had a lower proportion; and West Market and Downtown had lending volumes about equal to their shares of population and housing.

Housing financing within all these areas depended even more heavily than in Stage II areas on private, non-institutional financing — ranging from 43.0% private in West Market to 71.2% in Downtown. Conventional lenders (banks and savings and loan associations) provided 8.1% of the mortgages in Clinton Hill, 5.4% in Broadway, 4.3% in Lower Bloomfield, and insignificant amounts in the other areas. Mortgage companies made almost 14% of the loans in Broadway and Lower Bloomfield and lesser amounts in the other areas.

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\* See Appendices 5, 6, and 7.

Central Avenue (Stage IV)

The Central Avenue neighborhood is composed of census tracts 10, 11, 83, and 84.

The 1970 population was 10,297 compared with 12,209 in 1960. Blacks increased to 72.9% of the population in 1970, and Spanish-speaking person to 15.1%.

The median family income in 1970 was \$6,011, an increase of only \$1,399 from 1960. The number of families with incomes under \$4,000 increased substantially, and those with incomes of \$15,000 and over declined. About 25% of all families had incomes below the poverty level, and 26.7% received welfare.

Children under 18 years of age constituted 36.2% of the total population in 1970, and only 60.4% of the families had both husband and wife in the household. The median level of education was 9.4 years in 1970, and 31.8% of the population 25 years old and older were high school graduates. There was a total of 3,107 housing units in Central Avenue in 1970, including 176 single-family units and 1,948 two-to-four family units. The rate of owner-occupancy decreased to 9%, the second lowest rate for a City neighborhood, and the rate of overcrowding was 18.6%, among the highest figures. New university campuses are in this area, and housing rehabilitation programs are being planned.

Dayton-Hayes North (Stage IV)

The Dayton-Hayes North neighborhood is composed of census tracts 40, 54, 55, 56, and 58.

The 1970 population was 23,913 and was 96.4% black and 2.1% Spanish-speaking. The 1960 population of 24,593 persons was 77% black and 20.4% white.

In 1970, the median family income was \$6,317, an increase of \$2,499 over 1960. Families with incomes below \$4,000 per year increased by 75%, and those with incomes of \$15,000 and over declined by 39.1%. Twenty-seven percent of the families had incomes below the poverty level, and 31% received welfare in 1970. Of the total population, 40% were children under 18 years of age, and 55% of all families had both husband and wife in the household.

The median level of education was 10.2 years, and 30% of persons 25 years old and older were high school graduates.

In 1970, there were 7,326 housing units, including 212 single-family units and 2,775 two-to-four family units. The level of owner-occupancy in Dayton-Hayes North dropped to 10% in 1970, and 20.1% of all units were overcrowded. This area includes some of the new construction and scatter-site housing described for Clinton Hill.

South Broad (Stage IV)

The South Broad neighborhood is composed of census tracts 57, 59, 67, and 68.

The 1970 population was 16,944, compared with 20,088 in 1960. The black and Spanish-speaking populations increased substantially during the decade to 64.4% and 18.6% respectively, while the white population declined to 17%.

The median family income for the area was \$6,209 in 1970 an increase of \$1,917 over 1960. The percentage of families with incomes of less than \$4,000 per year rose substantially and those with incomes of \$15,000 and over declined by 32.4%. Twenty-six percent of all families had incomes below the poverty level in 1970, and 25% received welfare.

Children under 18 years of age constituted 35% of the total population in 1970, and 61% of all families had both husband and wife in the household. The median level of education was 9.3 years, and 24% of persons 25 and older were high school graduates.

The 1970 South Broad housing stock consisted of 6,152 units including 455 single-family units, and 1,901 two-to-four family units. Only 10.7% of the units were owner-occupied units in 1970, and 20.6% were overcrowded with 1.01 or more persons per room.



Rehabilitation of the Industrial Office building, new scatter-site housing, and new park and recreation facilities are planned for this area.

Core (Stage V)

The Core neighborhood is composed of census tracts 28, 29, 30, 31, 32, 63, 64, 65, and 82.

The 1970 population was 30,389 compared with 35,770 in 1960. The black proportion of the population increased to 82.4% and the white share declined to 5.5%.

The median family income rose only \$771 from \$4,421 in 1960 to \$5,192 in 1970, the lowest in the City. The number of families with incomes below \$4,000 more than doubled, and those with incomes of \$15,000 and more dropped substantially. In 1970, 35.2% of the families had incomes below the poverty level, and 39.8% receiving welfare.

Children under the age of 18 comprised 39.6% of the population, and only 50.1% of families had both husband and wife in the household.

The median education level was 10.1 years, and 19.8% of persons 25 and older were high school graduates in 1970.

There were 9,768 housing units in the Core area in 1970, fewer than in 1960, and the 1970 stock included 322 single-family units and 2,989 two-to-four family units. Over 1,700 new multi-family units were built between 1960 and 1970, virtually all publicly assisted. The 5.9% owner-occupancy rate was lowest in the City, and the 24.4% overcrowding rate was the highest.

It should be noted that substantial amounts of new publicly assisted housing and extensively modernized public housing projects are under construction or planned in the Core area. In addition, new campuses for the College of Medicine and Dentistry and Essex County College are substantially completed in the area.

Belmont (Stage V)

The Belmont neighborhood of the city is comprised of census tracts 38, 39, 60, 62, and 66.

Total population declined from 21,538 persons in 1960 to 16,338 in 1970. The black proportion of the population increased from 87% to 95.9% during the decade.

The median family income was \$5,484 in 1970, an increase of \$1,296 over 1960. The number of families with incomes below \$4,000 more than doubled and those with incomes of \$15,000 and over declined. Thirty-three percent of all families had incomes below the poverty level, and 28.4% received welfare in 1970.

Children under 18 years old were 43.1% of the population in 1970, and 55.8% of families had husband and wife in the household.

The median level of education was 8.3 years, and 29% of persons 25 and older were high school graduates.

The 1970 housing stock in the Belmont area consisted of 5,564 units, 32% fewer than 1960. Of the 1970 total, 178 units were single-family and 1,074 two-to-four family units. The owner-occupancy rate was 12.5%, and 17.7% of all units were overcrowded in 1970.

As in the Core area, there is currently in the Belmont neighborhood substantial amounts of new and modernized publicly assisted housing and

commercial development under construction and in planning. A new senior citizen public housing project was recently completed in the area.

Sources of Mortgages in Stage IV and V Areas

These areas all had small amounts of housing transactions, with the exception of South Broad. There were insignificant numbers of transactions financed by conventional institutions. Only Central Avenue had as many as 12.2% of its transactions from mortgage companies. Thus, private or governmental transactions were predominant in these neighborhoods.

## APPENDIX 12.

Table of Newark Lending Institutions, Indicating Assets, Number of Branches in Newark, and Loans Granted in Newark from June 1974 through August 1975.

The number of loans per institution is based on transactions for 1-4 family properties. The totals indicate loans originated by the lending institutions during the study period.

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### Sources for data on Thrift Institutions:

1. Commissioner of Banking, Division of Savings & Loan Associations - Annual Report 1974.
2. New Jersey Commissioner of Banking, Division of Banking - Annual Report 1973.
3. Pocks World Bank Directory, North American Edition, Fall 1975.
4. Directory of American Savings & Loan Associations - 22nd Annual Edition, 1976 - 1977.

<u>THRIFT INSTITUTIONS</u> (Newark Based)	<u>ASSETS/RESOURCES</u> 12/31/74	<u>OFFICES</u>	<u>LOANS</u> (1) (2)	
<u>Savings &amp; Loan Associations</u>				
Barton Savings & Loan Assoc.	190,926,739	5	8	7
Carteret Savings & Loan Assoc.	516,042,870	7	17	14
Dollar Savings & Loan Assoc.	3,561,319	1	0	0
Midtown Savings & Loan Assoc.	43,069,361	1	0	0
Mohawk Savings & Loan Assoc.	96,503,957	1	?	?
Monroe Savings & Loan Assoc.	22,086,234	1	0	0
Penn Savings & Loan Assoc.	81,548,418	4	78	61
Robert Treat Savings & Loan	51,523,900	1	0	0
Susan B. Anthony Savings & Loan	385,348	1	0	0
Trident Savings & Loan Assoc.	16,139,921	2	20	5
<u>Savings Banks</u>	<u>As of 6/30/75</u>			
Howard Savings Bank	1,546,936,000	6	42	34
United States Savings Bank	456,741,930	4	19	16
<u>Commercial Banks</u>	<u>As of 6/30/75</u>			
Bessemer Trust	12,416,340	1	0	0
Broad National Bank	46,645,532	3	0	0
City National Bank	16,253,736	1	0	0
Fidelity Union Trust	977,403,000	11	10	1
First National State Bank	1,202,852,000	17	6	3
Midlantic National Bank	1,054,556,173	11	5	2
Security National Bank	31,663,141	2	0	0

1. Residential 1-4 family transactions only: includes first mortgages, second mortgages, remortgages, etc.

2. Residential (1-4 family) primary mortgage transactions.



Mortgage Companies\*  
(Newark Based)

	<u>(1)</u>	<u>(2)</u>
Beneficial Mortgage Company	12	1
Commercial Mortgage Company	49	48
Kislak J. I. Mortgage Corp.	62	59

(Non-Newark Based Lenders)

Associated - East Mortgage Co.	30	26
Blau Mortgage Company	12	12
Essex - Union Mortgage Co.	20	19
Forman Mortgage Company	37	36
Globe Mortgage Company	9	9
Jersey Mortgage Company	13	10
Larson Mortgage Company	14	14
N. J. Mortgage & Investment Corp.	48	4
R. E. Scott Mortgage Company	17	17
Underwood Mortgage & Title Company	16	16

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\* Only those lenders who provided at least 9 loans are noted.

1. Residential 1-4 family transactions only: includes first mortgages, second mortgages, remortgages, etc.
2. Residential (1-4 family) primary mortgage transactions.

APPENDIX 13

Table of Annual Savings Deposits, 1971-1974, of Newark  
Savings and Loan Associations.

SAVINGS AND LOAN ASSOCIATION ANNUAL SAVINGS DEPOSITS (1971-74)

	1971	1972	1973	1974		
BARTON	85,403,634	87,048,960	80,245,377	77,179,859		
BROADWAY S&L	5,885,941	5,985,106				
CARTERET	194,938,420	221,714,198	213,776,302	220,695,520		
CLINTON S&L	2,440,840					
MIDTOWN	14,804,761	14,419,487	9,366,535	10,860,078		
MONROE	9,340,497	9,095,493	8,024,158	7,802,328		
ENGINEERS	1,132,985	990,091				
MOHAWK	43,558,815	43,009,803	36,796,713	34,031,994		
PENN S&L	41,497,997	45,897,204	49,982,345	57,314,111		
ROBERT TREAT	12,033,476	16,545,682	17,503,782	18,197,745		
SUSAN B. ANTHONY	292,751	7,060	5,745	8,592		
TRIDENT	7,858,846	8,016,449	8,535,983	8,453,099		
DEFIANCE	1,073,923					
DOLLAR S&L			1,513,168	2,150,436		

Source - Commissioner of Banking, 1971-74  
Annual Reports (1971-74), Division of Savings  
and Loan Associations

#### APPENDIX 14.

##### Maps Indicating Location of Branches and Financing Granted by Major Newark Lending Institutions.

##### Notation:

- ▲ represents lending institution office locations.
- | represents residential 1-4 family loans.
- represents other mortgage transactions including multi-family residential, commercial, industrial and vacant lot loans.

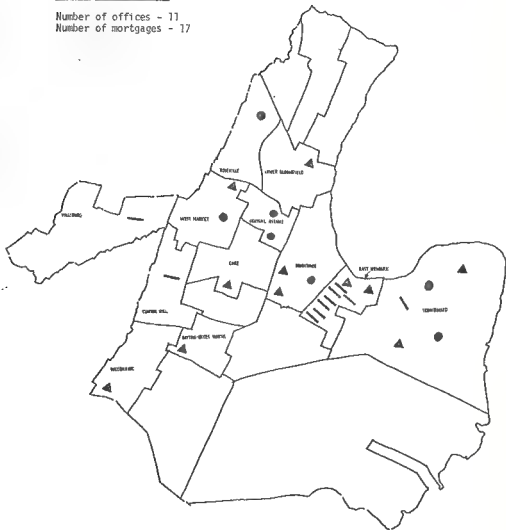
- (1) It is important to note that the location of the offices are exact according to the census tract, but not to its street address.
- (2) The loans are only locationally accurate according to the neighborhood, but not to its census tract or street address.
- (3) The following analysis includes only the major lenders for Newark.  
  
The thrift institution analysis includes those lenders that provided fifteen loans or more. The mortgage company analysis only includes those agencies that provided at least 9 loans.
- (4) The number of loans per institution is based on residential and non-residential mortgages; however, the majority of these mortgages are for 1-4 family homes.
- (5) The accuracy of the mortgage data in this appendix is based primarily on the information provided in the Essex County Real Estate Directory. This information is subject to notational interpretation.



Fidelity Union Trust

Number of offices - 11

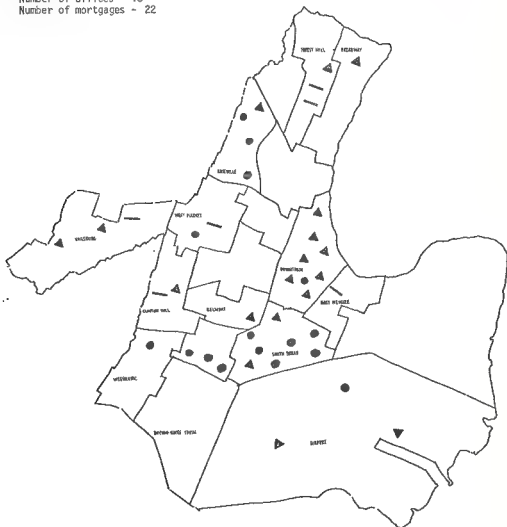
Number of mortgages - 17



First National State Bank of New Jersey

Number of offices - 18

Number of mortgages - 22













1. Mortgage Companies' total (all loans): 353
2. Mortgage Companies' total (residential): 333
3. Associated Mortgage Company total (all loans): 37
4. Associated Mortgage Company % (all loans): 10.5%

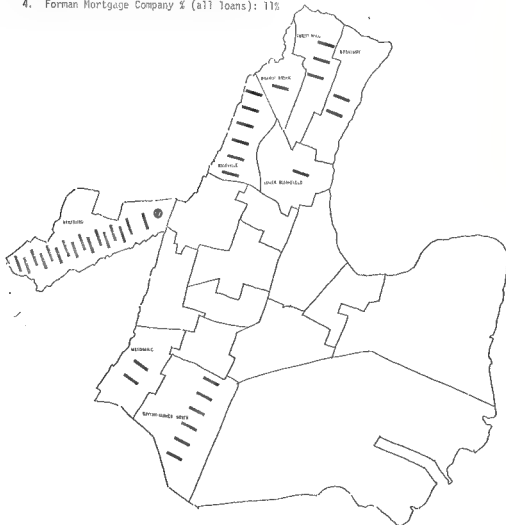






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- A map of the City of London divided into 10 wards. The wards are labeled: FLEET HILL, BISHOPSGATE, BARNHURST, WEST HARBOR, CANNON, SOUTH BURY, SOUTH BURY, SOUTH BURY, SOUTH BURY, and SOUTH BURY. The 10 constituencies are marked by dots: 1. FLEET HILL (dot in Fleet Hill ward), 2. BISHOPSGATE (dot in Bishopsgate ward), 3. BARNHURST (dot in Barnhurst ward), 4. WEST HARBOR (dot in West Harbor ward), 5. CANNON (dot in Cannon ward), 6. SOUTH BURY (dot in Southbury ward), 7. SOUTH BURY (dot in Southbury ward), 8. SOUTH BURY (dot in Southbury ward), 9. SOUTH BURY (dot in Southbury ward), and 10. SOUTH BURY (dot in Southbury ward).

1. Mortgage Companies' total (all loans): 353
2. Mortgage Companies' total (Residential): 333
3. Forman Mortgage Company total (all loans): 38
4. Forman Mortgage Company % (all loans): 11%

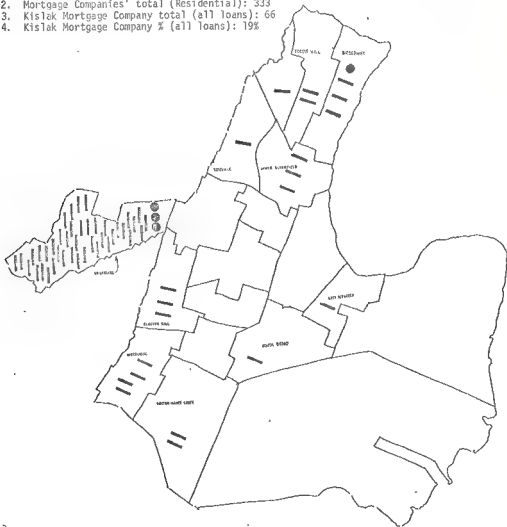






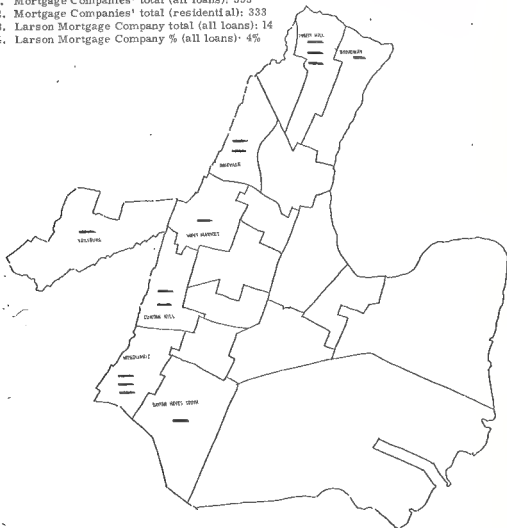


1. Mortgage Companies' total (all loans): 353
2. Mortgage Companies' total (Residential): 333
3. Kislak Mortgage Company total (all loans): 66
4. Kislak Mortgage Company % (all loans): 19%

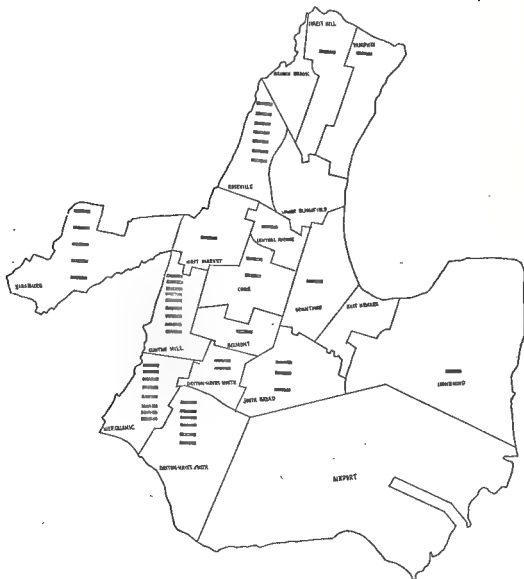


Larson Mortgage Company

1. Mortgage Companies' total (all loans): 353
2. Mortgage Companies' total (residential): 333
3. Larson Mortgage Company total (all loans): 14
4. Larson Mortgage Company % (all loans): 4%



1. Mortgage Companies' total (all loans): 353
2. Mortgage Companies' total (residential): 333
3. New Jersey Mortgage Company total (all loans): 48
4. New Jersey Mortgage Company % (all loans): 14%





Appendix 13

Analysis of Newark Lending with Funds From  
New Jersey Mortgage Finance Agency

Appendix 13.

Analysis of mortgages in Newark resulting from loans of the New Jersey Mortgage Finance Agency, October 1, 1974 through July 31, 1975.

The New Jersey Mortgage Finance Agency is authorized to sell tax-exempt bonds and loan the proceeds to mortgage lending institutions in New Jersey, which in turn use the funds to make residential mortgage loans for one-to-four family housing. Most of the Agency's funds are for mortgage lending anywhere in the State. However, the Agency has also utilized a program which is limited to mortgages in the 24 Urban <sup>\*</sup>Aid cities, including Newark, and which gives participating lending institutions a return .25% greater than the general statewide program.

Since Mortgage Finance Agency (MFA) funds are a source for mortgages separate and distinct from savings deposits, it could be expected that banks and other lenders would use MFA proceeds to make somewhat higher risk loans than they would with their depositors' money. To determine the lending pattern in Newark with MFA funds, the location and mortgagee for sixty-five (65) loans made with MFA funds between October 1, 1974 and July 31, 1975 were studied.

The analysis indicates that these loans were made primarily in Vailsburg and, to a lesser extent, the North Ward area of the City. Very little lending occurred in any other neighborhoods.

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\*There are now 28 Urban Aid cities.



Forty-five of the 65 loans were made in the Vailsburg area (Census tracts 19, 20, 21, 22, 23, 24, and 25), and a number were clustered on the same blocks. (See attached maps.) The total amount of these Vailsburg mortgages was \$1,291,050, which represented nearly 78% of the entire amount loaned in Newark.

Twelve loans were made in North Ward areas (Census tracts 1, 3, 4, 6, 9, and 97) primarily Forest Hill, Branch Brook, and Roseville.

Only two loans were made in the Weequahic and Dayton-Hayes South areas (Census tract 47), two in the Ironbound and East Newark areas (Census tract 77) and two in West Market (Census tracts 13 and 14). The remaining loans were scattered one each in Clinton Hill and Central Avenue.

There were thirteen lending institutions involved in making the 65 MFA loans in Newark, totalling \$1,657,700. Nine of these banks are located outside of the City, and four are Newark-based lenders. Newark has a total of twenty savings and loan, commercial, and savings Banks. The four Newark banks made 40 of the 65 loans.

The four Newark banks are Barton Savings & Loan, Carteret Savings & Loan, Howard Savings, and United States Savings Bank.

- (1) Barton Savings & Loan provided three mortgages in Newark: all were in Vailsburg (Census tract 23). Barton has five offices in Newark and two offices in adjacent towns. Total assests in 1973 were \$200,873,057. It borrowed \$900,000 in Plan A (statewide) and \$500,000 in Plan B (urban) money from the MFA. It provided \$54,000 in Newark with these funds.

- (2) Carteret Savings & Loan provided 10 loans in Newark: six were in the North Ward (Census tracts 1, 3, 4, and 6); three were in Vailsburg (Census tracts 20, 22, and 25); and one was in Clinton Hill (Census tract 34). Carteret has its main office and seven other offices in Newark and six office outside of Newark.<sup>\*</sup> Its assets totalled \$490,651,988 in 1973. Carteret borrowed \$2,000,000 in Plan A money and invested \$210,000 in Newark mortgages.
- (3) Howard Savings provided 22 loans in Newark: 15 were in Vailsburg (Census tracts 20, 21, 22, 23, and 24); three were in the North Ward (Census tracts 2 and 4); two were in West Market (Census tracts 13 and 14); one was in Central Avenue (Census tract 11); and one was in Dayton-Hayes South (Census tract 47). Howard Savings borrowed \$4,500,000 in Plan B money, and \$10,000,000 in Plan A money. The Newark mortgages totalled \$576,850. Howard's total assets in 1973 were \$1,376,033,000. Howard Savings has a main office and five other offices in Newark and eight offices in suburban areas.
- (4) United States Savings Bank provided five mortgages in Newark: four were in Vailsburg (Census tracts 20, 21, and 25); and one was in Roseville (Census tract 9). U.S. Savings borrowed \$5,600,000 in Plan A funds and \$2,100,000 in Plan B funds from

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<sup>\*</sup>Subsequent to the study period, one branch office moved from Newark.

MFA. Newark mortgages totalled \$181,000. Total assets in 1973 were \$421,999,612. United States Savings has its main office \* and one other office in Newark and four offices in the suburbs.

Overall, 28% of the loans were insured by FHA and nine by VA. Twenty-six were conventional loans, and two were undetermined.

Contrary to the initial expectation that MFA funds would be utilized by lending institutions for somewhat higher risk situations than loans made with depositors' funds, our analysis indicates that MFA loans were at least as concentrated and probably more so in neighborhoods with the highest socio-economic characteristics in the City — Vailsburg and areas of the North ward. This lending pattern suggests that the institutions took little or no more risk in MFA lending than they did in lending from depositor sources. It is also interesting to note that the East Newark and Ironbound areas, which received substantial conventional lending from a savings and loan association not participating in the MFA program, had almost no MFA loans.

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\* The branch office analysis for all four lending institutions is based on the annual reports Commissioner of Banking 1973, and telephone directory data.

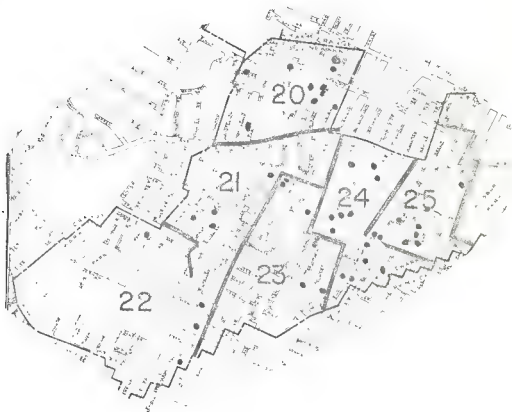
N.J.M.F.A. loan Distribution

Total City of Newark (65 loans)



N.J.M.F.A. Loan Distribution in Vailsburg Area  
(October 1974 - July 31, 1975)

(45 loans)



## PRIVATE TRANSACTIONS

A total of 3,341 cases which were recorded for the study period were analysed in terms of total mortgaging or financing activities, with the emphasis placed on activities related to 1-4 family residences within the city of Newark.

In the introduction to the study, it was indicated that another concern of the city, in addition to increasing long-term lending, was the resultant by-product of institutional re-investment which is the diminishing of occurrence of transactions in which sellers of properties are 'forced' to take back mortgages from the buyers because institutional financing is not available to the buyers.

Further, the underlying factor for investment and re-investment was and is viewed by the city as being necessary in upgrading and stabilizing selected residential areas of Newark.

The high percentage of private transactions reflected in the study covered two (2) general categories of real estate activity; private transactions involving primary mortgages and private transactions involving cash sales. The former sub-divides into two (2) sub-categories: purchase money mortgages and non-purchase money mortgage transactions.

In restricting all residential transactions to primary mortgages financed by institutions, agencies and private parties, and retrieving cases from the computer files which satisfies the conditions of an

indicated sales price greater than zero (0) and a mortgage price greater than five (5), the transaction matrix generated consisted of 733 primary mortgages, selected by land use code, by mortgagee, by type of organization, by neighborhood.

The row total of this matrix indicated 277 transactions for mortgage companies (38.2% of the total), 118 for savings and loan institutions (16.4% of the total), 57 for commercial and savings banks (7.8% of the total), 32 for insurance companies and businesses (4.4% of the total), and 225 private (30.7% of the total). Twenty-four (24) FHA, VA transactions were reviewed and isolated for further analysis.

Analysis of the 225 cases for private transactions revealed a range for loan-to-value ratio from 12.50% to 100.00%, with a mean of 68.54%. This indicates that in a majority of the cases the traditional 30% downpayment was affected by the buyer.

Significantly enough, however is the findings that even though the mean loan to value ratio was at 68.54%, the percentage of the private cases that were purchase money mortgage transactions was 66.36% of the total 225 private cases. A cross-referencing of previous owners to present mortgagees verified the purchase money mortgage percentage.

The geographic distribution of the private cases cited above (see area map A), indicated that 20.9% of the private cases listed were in Stage I areas, 30.2% in Stage II areas and 36.9% were in Stage III areas of Newark.

The break-down for the private transactions are as follows:

Total private transactions (residential 1-4 family units)	835
Percentage of all transactions	41.2%

A. Total private primary financing 225 cases

. Total sales price	\$5,467,630
. Average sales price	\$24,300
. Pct. of all primary financing	30.7%
. Loan to value ratio	68.54%
. Interest rate: High	9.5%
Low	4.0%
Average	7.72%

. Areas with the highest amount of private primary financing:

Broadway	31 cases	13.8%
Forest Hill	26 cases	11.1%
Ironbound	22 cases	9.8%
Vailsburg	21 cases	9.3%
West Market	18 cases	8.0%
Roseville	15 cases	6.7%

B. Total private purchase money transactions 144 cases

. Pct. of private primary financing	64.0%
. Pct of all primary financing	19.6%

. Areas with the highest amount of private purchase money transactions:

Broadway	21 cases	14.6%
Forest Hill	17 cases	11.8%
Ironbound	14 cases	9.7%



Lower Bloomfield	13 cases	9.0%
East Newark	12 cases	8.3%
Vailsburg	11 cases	7.6%

- C. Total private cash transactions 610 cases
- . Pct. of all private transactions 73.1%
  - . Assessed value to sales price 504.79%
  - . Areas with the highest amount of private cash transactions:

Roseville	82 cases	13.4%
West Market	71 cases	11.6%
Broadway	64 cases	10.5%
Vailsburg	47 cases	7.7%
Core	47 cases	7.7%

The pattern of private financing parallels that of the lending institutions in that private financing is concentrated in the same areas. Forest Hill, Vailsburg, Roseville, Ironbound, Broadway, and West Market, areas which received the majority (64.9% of the institutional lending, also indicated a high degree of activity for private lending, with 47.2% of the total private lending for the city, and 59.1% of the total private primary mortgage transactions.

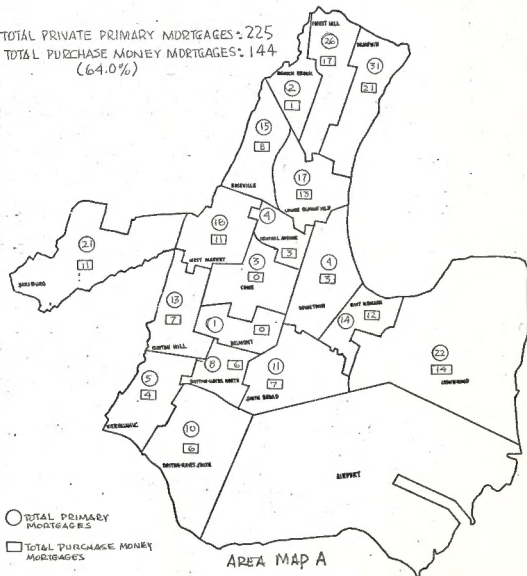
The total of 144 private purchase money transactions if added to the 442 institutionally financed primary mortgage transactions would have represented an increase of 31.9% (city wide) in institutional lending, had these transactions been financed by lending institutions.

The distribution of private cash transactions, based on a random

sampling of 610 cases (see area map B) indicates that the above mentioned areas also had the majority of the activity, with 61.8% of the total cash transactions for the city. The mean assessed value to sales price for the private cash transactions was 504.8%.

# DISTRIBUTION OF PRIVATE PRIMARY MORTGAGE TRANSACTIONS-INDICATING PURCHASE MONEY TRANSACTIONS

TOTAL PRIVATE PRIMARY MORTGAGES: 225  
TOTAL PURCHASE MONEY MORTGAGES: 144  
(64.0%)



NEWARK, NEW JERSEY

# DISTRIBUTION OF PRIVATE CASH TRANSACTIONS BASED ON RANDOM SAMPLING

TOTAL NUMBER OF CASES: 610  
SAMPLE SIZE: 89 (15%)

ASSESSED VALUE TO SALES  
PRICE OF SAMPLE GROUP: 504.79%

